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The Condition of the Workers
in Great Britain, Germany and
the Soviet Union
1932-1938

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The Condition of the Workers in Great Britain, Germany and the Soviet Union

1932-1938

by

JÜRGEN KUCZYNSKI

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CONTENTS

Preface and Introduction	<i>Page</i> 7
--------------------------	---------------

PART I

THE CONDITION OF THE WORKERS IN GREAT BRITAIN AND GERMANY, 1932-1938

<i>Chapter</i> I. Wages	14
II. Hours of Work	28
III. Productivity and Intensity of Work	31
IV. Accidents	36
V. The Mobility of Labour	40
VI. Unemployment	43
VII. Health Conditions	49
VIII. Social Insurance	52
IX. The Relative Position of the Workers	57
X. The Pleasures of Life	60
XI. Lost Freedom	62
Conclusions	63

PART II

THE CONDITION OF THE WORKERS IN GREAT
BRITAIN, GERMANY AND THE SOVIET UNION
1932-1938

<i>Chapter</i> I. The Food Standard	<i>Page</i> 69
II. The Clothing Standard	75
III. Man Does Not Live By Bread Alone	79
IV. Social Insurance	84
V. Rights and Liberties	88
Conclusion	90

PREFACE AND INTRODUCTION

THIS little book attempts to give a comparative statistical history of labour conditions in Great Britain, in Germany, and in the Soviet Union. The period dealt with comprises the years from the depths of the last crisis in Great Britain and Germany to the present time.

The difficulties of such a comparison are numerous. In the first place, we have to base our study of conditions in Great Britain and in Germany on government material which is biased against the workers. Furthermore, the material is not of uniform quality, since quite a number of cooks have had their part in preparing the different statistical dishes, the figures coming from various British and German official sources. Finally, conditions in each of the three countries are so different that the same development means something different in each of them.

If, for example, employment increases in each of the three countries from one year to another by the same percentage, this may mean something different in Germany, where employment is now being increased through the forced conscription of women, in Great Britain, where it would mean a decline of unemployment, and again in the Soviet Union, where it would be a sign of a healthy growth of the population. Another difficulty of comparison is created, for example, by the fact that British statistics of wages refer either to the wage rates of a fairly comprehensive number of workers or to the earnings in a comparatively small number of industries, whereas the statistics of wages in Germany refer to wage rates as well as to the earnings of a large number of workers. Finally, yet another significant difficulty consists, for example, in the fact that the bias of the German cost of living index is much greater than that of the British index, so that certain alterations in the German index are necessary, not to eliminate the bias, unfortunately impossible with the material available, but only in order to reduce the

bias of the German index to about the level of that of the British index.

These are only some indications of one group of difficulties which we encounter in comparing conditions in Great Britain and in Germany. If we furthermore remember that the Soviet statistics have on the one hand no such bias and on the other hand that their form of presentation is in many respects so very different,¹ chiefly because conditions are so different, it is obvious that our study can be only a preliminary and very tentative one.

But there are other difficulties of a very different character. We start our comparative survey with the year 1932, the year before Hitler came into power. In 1932 the standard of living in Germany had been almost halved as compared with 1929. There was comparatively little scope for further reductions without physical destruction of the working class through hunger and misery. A considerable increase in the purchasing power could take place without even an approximate approach to the standard of the pre-crisis years 1927 to 1929. In Great Britain, too, the standard of living of the worker has declined between 1929 and 1932, but not by any means as much as in Germany, and the same rise in purchasing power which could easily have increased the British standard above that of 1927-9 might have left the German standard very considerably below the 1927-9 level. Since the standard in the Soviet Union always had a tendency to increase, a further rise would mean putting even more distance between the former and the present level. One, therefore, must be extremely careful in evaluating the comparative importance of a rise in wages and purchasing power in two or three countries—a rise by the same percentage does not mean the same for the different countries.

Another factor which must be taken into account is that we start our survey with the year of the depths of the crisis—that is, we start with a year which, under capitalism, has always been the basis of an improvement in labour conditions. If labour conditions in Great Britain, for example, have improved since 1932, this does not mean that labour conditions in Great Britain usually improve. On the contrary, all who lived through the years from 1929 to 1932 know how very much labour conditions in Great

¹ See on this subject pp. 67, 68 of this book.

Britain can deteriorate. We have simply started from a base, from which labour conditions, according to the Marxist analysis of the trade cycle, always have improved.

Finally, we must remember that the three countries under review are each different in character. The Soviet Union is a socialist society; Great Britain and Germany are finance capitalist countries. But between Great Britain and Germany, too, there is a significant difference: Great Britain is ruled by finance capitalism as a whole and by democratic methods, Germany is ruled by the most reactionary section of finance capitalism, the heavy industries, the armament industries, and by dictatorial methods. In Great Britain the whole of finance capitalism, the heavy industries, the export houses and banks, the textile industries, and so on, rule the country; finance capitalism, "pure and simple", in fact, reigns. In Germany the interests of the armament industries are decisive: Fascism rules.

The difficulties mentioned above are only an indication of the great number of obstacles which stand in the way of such a study. Since this book is nothing but a first attempt at such a comparative study, it is understandable that, on the one hand, a number of difficulties have not been surmounted, and that, on the other hand, the author will have failed to become aware of quite a number of difficulties which he should have overcome. This little book has, therefore (in addition to the faults which the author may have made in any case), all the marks of a first exploration of new territory. Others must try to do better. Others must enlarge the field of observation. They must add other countries to the survey—the United States, for example, or a colonial country. Think of comparing the development of social insurance in the United States, Great Britain, Jamaica, Germany, and the Soviet Union! What lessons to be learned! What a variety of events, trends, and implications! Think of comparing the standard of living of the unemployed in the United States, Great Britain, Italy, Palestine! How much more vivid will become our picture of labour conditions not only in the rest of the world, but in Great Britain too! For through such comparisons the various features of labour conditions in this country will become much clearer; difference, contrast, or similarity help us to understand much better what really are the conditions in this country.

Such comparative surveys, therefore, are important for the understanding of our own life; they are not only of importance for those who want to know what is happening elsewhere, they are of importance also for those who want to grasp what is happening here and now, where we live.

But such studies are of importance not only for our understanding of present-day conditions; they are of importance also for our understanding of what will happen in the future. We must learn from the development in other countries. And in this connection the comparison of conditions in Great Britain with those in Fascist Germany and in the Socialist Soviet Union is of special significance. While it would be absolutely wrong to say that there are abundant traces of Fascism to be found in this country, it would be equally wrong to deny that there are any Fascist tendencies and elements at work in this country at all. The example of Germany and the conditions of the working class in that country will show what Fascism means for the working class. On the other hand, the working class in this country wants to fight for Socialism as its ultimate goal. The example of the Soviet Union will show what Socialism can do for the working class, what the working class can do with Socialism.

Such comparative studies of labour conditions, therefore, can also serve as a guide to the future. They can help us to visualise what a certain development (towards Fascism or towards Socialism) will mean to the working class, and this very visualisation will make the will to fight the Fascist tendencies at work in this country more determined than ever. Hence such a comparative study of labour conditions may be of political significance, of some help in labour's fight for better labour conditions, of some help, that is, in the formation of a broad and solid front of determined fighters against Fascism.

London,
March 1939.

JÜRGEN KUCZYNSKI.

PART I

THE CONDITION OF THE WORKERS IN GREAT BRITAIN AND GERMANY, 1932-1938

IN the following chapters we investigate the development of labour conditions in Great Britain and in Germany. *Only the whole of this investigation allows us to draw final conclusions as to the development of labour conditions.*

If, for example, we find that real wages¹ have moved in the same direction in both countries, this does not mean that labour conditions have moved in the same way. An increase in real wages may, for example, be more than offset by an increase in the intensity of work and by increasing frequency of accidents and deteriorating health conditions. If, for example, the productivity of labour increases in the one country more than in the other, this does not mean that the intensity of work increases in the same proportion, for the greater increase in productivity may be due to improved technique.

We start with a study of wage conditions. If there is one chapter in this book which under all circumstances must be read in conjunction with other chapters, it is this chapter on wages. The chapter will make an absolutely wrong impression upon the reader if he does not constantly remind himself that the full significance of the movement of wages can become clear to him only in conjunction with a study of the development of the intensity of work, of the development of the length of the working day, of the development of accident and health conditions, and so on.

Furthermore, we have to remember that in this, as in the following chapters, we are obliged to rely chiefly on official statistics. In using these statistics we do not assume that they are without a bias directed against the masses of the people, or that they convey an accurate picture of what has taken place in Germany or in Great Britain. But we are justified in using these figures since in spite of their shortcomings they convey to us a picture which is correct in so far as it agrees with reality in the most vital point: even government statistics cannot veil the terrible plight of the German worker under National Socialism and the poor working conditions prevailing in Great Britain.

¹ That is, wages as measured by prices, wages indicating the purchasing power of the worker's income.

CHAPTER I

WAGES

IN our study of the development of wages in Great Britain and Germany we shall start with the abstract and somewhat unreal and become more and more concrete as we proceed. This means that we shall start with a table on wage rates. Wage rates are wages which either are collectively agreed upon as a minimum wage (Great Britain), or which are (as in the case of Germany, where collective agreements do not exist) imposed by the State. Since they do not take into account wage payments above the rate that have come about because of pressure on the part of the workers, or because of overtime and Sunday work, &c., and since they do not take into account wage payments below the rate occurring because of too weak resistance on the part of the workers against the pressure of the employers, or because of short time, &c., they are in a sense abstract, and do not, or at least do not always, correspond very closely to reality. On the other hand, they are nevertheless an important indicator of wage conditions, since they are the pivot around which actual wages fluctuate according to circumstances.

The difference in the development of wage rates in Great Britain and in Germany is very striking. During the depression and the first years of increasing business activity, that is, from 1932 to 1934, wage rates remained stable in Great Britain. That was to be expected because after the crisis, though actual hourly wages rise, the rate remains stable since to begin with the workers ensure that the rate which often has been undermined is really paid, and only later do they succeed in pressing for higher rates. In Germany, on the other hand, the rate of wages declined under Hitler at the beginning of his régime, and then remained virtually stable during the whole period of rapidly increasing business activity.

There are few statistical tables which show so clearly the influence of Fascist economy upon labour conditions as does

WAGE RATES IN GREAT BRITAIN AND GERMANY, 1932-8 ¹

(1932 = 100.)

Year	Great Britain ²	Germany ³
1932	100	100
1933	100	97
1934	100	97
1935	102	97
1936	105	97
1937	109	97
1938	113 ⁴	97

this table of the development of wage rates. Since Fascist economy is directed towards ever-increasing armament production it tries to keep down the production of consumption goods ⁵ as much as possible; for every increase in the production of consumption goods means that less raw materials, less foreign exchange, less money, a smaller labour force, and so on, are available for armament production. Every rise in wages, however, if not accompanied by an increase in prices will lead to an increased demand for consumption goods; and an increased demand for consumption goods will, naturally, tend to lead to increased production of consumption goods. Thus besides the usual motive of keeping wages down in order to maintain profits at a high level, Fascist economy has a special reason for keeping wages at as low a level as possible. *Through all the years of*

¹ This table, like most of the following tables, gives index figures. The base year is 1932. That is, the figures indicate the development of wages, hours of work, productivity, &c., by assuming the item investigated was 100 in 1932. If wages, for instance, were 25s. in one year, 30s. in the following, and 20s. in the next, we would proceed as follows: assuming wages in 1932 to equal 100. An increase from 25s. to 30s. is an increase of one-fifth or 20 per cent.; for the next year the index, therefore, would be 120. In the following year the wage receded to 20, that is one-fifth or 20 per cent. less than 25s.; the index, therefore, would be 80. While the actual wage series would be as follows: 25s., following year 30s., next year 20s., the index series runs as follows 100—120—80.

The wage rates in the above table are averages of rates for most of the industrial occupations.

² Cf. *Abstract of Labour Statistics of the United Kingdom* and *The Ministry of Labour Gazette*, November 1938.

³ Cf. *Statistisches Jahrbuch für das Deutsche Reich* and *Wirtschaft und Statistik*, January 1939.

⁴ Third Quarter 1938.

⁵ Consumption goods are: food-stuffs, textiles, shoes, &c.

rapidly increasing production and vastly enlarged business activity,¹ wage rates in Germany have remained below the crisis level.

In Great Britain, on the other hand, where the pressure of the workers has been considerable, where the trade unions have led the way in the fight for higher wages, rates have gone up since 1934 and are to-day about 13 per cent. above the crisis level. Although, as we shall see later, nobody would be justified in saying that labour conditions in Great Britain are in any way satisfactory to-day, nobody can deny that the development of wages during the last seven years has been very much more favourable, or rather very much less unfavourable, to the workers in Great Britain than to those in Germany.

Let us now turn from the somewhat abstract wage rates to the more concrete earnings. Earnings are what the workers in employment really get. They take into account both short time and overtime, as well as payments above and payments below the wage rates, but they do not take into account changes in the cost of living and other important factors.

WEEKLY EARNINGS IN GREAT BRITAIN AND GERMANY, 1932-8
(1932 = 100.)

Year	Great Britain ²	Germany ³
1932	100	100
1933	102	96
1934	104	100
1935	107	105
1936	111	110
1937	116	116
1938	116	118 ⁴

Suddenly, the picture seems—wrongly—to be completely changed. Actual earnings have increased in Germany and in Great Britain by about the same percentage. There does not seem to be much difference between the development of actual earnings in Great Britain and Germany. Earnings in Germany fell in 1933, it is true, while they increased in

¹ At the end of 1938, production was more than twice as high as in 1932 and about one quarter higher than in 1929.

² About the construction of the index of earnings in Great Britain compare Jürgen Kuczynski, *Hunger and Work*, p. 113 f.

³ Cf. *Wirtschaft und Statistik*, April 1936, 1937, 1938 and December 1938.

⁴ June 1938.

Great Britain, but since 1934 earnings in Germany have risen and to-day there is no longer any difference in the development of earnings between the two countries.

However, there are two important factors which we have left out of account: first, the above wages are gross wages, that is, taxes, social insurance payments, and so on, have not been taken into account, and, furthermore, we must compare not only the absolute amount of earnings but also the development of prices.

In Great Britain changes in wage deductions have not been of importance since 1932 and for all practical purposes the index of gross earnings and that of net earnings is about the same. In Germany, on the other hand, deductions from wages have increased considerably during the Fascist régime. Official government statistics estimate the increase of deductions for taxes and social insurance at about 1 per cent.¹ To this, however, must be added ever-increasing deductions for winter relief, A.R.P., "Strength through Joy", and similar purposes, which all lumped together have increased total deductions by at least a further 2 per cent.

According to official statistics the cost of living ² has, in both countries, developed as follows:

COST OF LIVING IN GREAT BRITAIN AND GERMANY, 1932-8

(1932 = 100.)

Year	Great Britain ³	Germany ⁴
1932	100	100
1933	99	98
1934	100	100
1935	101	102
1936	104	103
1937	110	104
1938	108	105

The development of the cost of living seems, at first sight, to have been more favourable in Germany than in Great

¹ Cf. *Wirtschaft und Statistik*, February 1938.

² The cost of living index in both countries includes the cost of food, clothing, rent, fuel and light, and "other items". The low quality even of the better of the two indices, the British index, can be gauged, for example, from the fact that no expenses for transportation, for trade unions dues or cinema visits are provided for.

³ Cf. *The Ministry of Labour Gazette*, November 1938.

⁴ Cf. *Statistisches Jahrbuch für das Deutsche Reich und Wirtschaft und Statistik*, January 1939.

Britain. While in Great Britain cost of living has increased by about one-twelfth, in Germany it has increased by only about one-twentieth.

Yet we read in English papers that there is a scarcity of food in Germany, that prices have increased there, and so on. Are English journalists mistaken or does the German government publish wrong figures? And if the latter is the case what point is there in publishing a study relying on Government statistics?

Let us look into the German cost of living statistics a little more closely. The *Statistische Reichsamt*, which publishes these statistics, assumes that every worker can spend about 40s. per week; in reality he can spend less than 30s. (gross wage, that is, before deductions for taxes, social insurance collections, &c. are made). Thus if, for instance, the prices of the more expensive goods increase less than those of the absolute necessities of life, the *Statistische Reichsamt* can construct a perfectly correct index of the cost of living which yet shows a much smaller increase in the cost of living than is really the case for the worker; just because the *Reichsamt* shows the increase in cost for a family with 40s. to spend while actually the worker can spend less than 30s. Since, in fact, prices of the more expensive goods have increased less than the prices of the necessities of life, it is obvious that the official index, though computed in an absolutely correct way, shows too slight an increase in the cost of living. Let us, therefore, try to show how the cost of living has developed for a worker's family which has considerably less to spend than the *Reichsamt* assumes. We can show this only for the cost of food-stuffs, for even here we want to rely exclusively on official government data. According to the official statistics of the *Statistische Reichsamt* changes in the price of food-stuffs which a family with between 25s. and 30s. per week can buy have developed as follows: ¹

¹ The price data are published in *Wirtschaft und Statistik* and in the *Vierteljahrshefte zur Statistik des Deutschen Reichs*, both published by the *Statistische Reichsamt*. The quantities to be bought by the worker's family are: rye bread 1,700 grm.; wheat flour 140 grm.; rice 200 grm.; split peas 200 grm.; potatoes 2,500 grm.; carrots 250 grm.; sauerkraut 250 grm.; fat home-produced bacon 50 grm.; margarine 80 grm.; imported lard 80 grm.; sugar 125 grm.; milk $\frac{1}{2}$ litre; salt 75 grm.; such daily fare is very meagre indeed, but a worker earning as little as a German worker does cannot buy better.

FOOD PRICES AT THE BEGINNING OF 1933 AND 1938 IN GERMANY
(Prices in Pfennigen.)

Commodities	January 1933	January 1938
Rye bread	56·1	56·1
Wheat flour	6·7	6·4
Rice	9·6	10·4
Split peas	8·6	13·4
Potatoes	15·0	20·5
Carrots	3·5	3·8
Sauerkraut	5·0	6·5
Fat home-produced bacon	9·1	10·6
Margarine	10·0	15·0
Imported lard	7·7	?
Sugar	8·9	9·3
Milk	6·0	6·0
Salt	2·1	2·1
Total per day	<u>148·3</u>	<u>?</u>

Our attempt seems to have been doomed to failure. The government has discontinued the publication of the price of imported lard. But not only have we failed . . . the worker also fails if he wants to buy imported lard because hardly any lard is now imported in order to save foreign exchange for armament raw materials. What can we do about it? We must do exactly the same as the worker. If there is no imported lard he has to buy the more expensive home-produced lard and in the same way we have for 1938 to replace the price of imported lard by that of home-produced lard.

But this is only one of the changes we have to make. The price of margarine is still quoted officially. But we know from the official consumption statistics that, in contrast to 1933, consumption of butter is now higher than that of margarine because margarine production has been curtailed in order to save foreign exchange for armament raw materials instead of using it on raw materials necessary for the production of margarine. Butter, however, is more expensive than margarine, and so the worker is forced to spend more on fats than before so that foreign exchange may be saved for imports of raw materials for armaments. If we make these two corrections our food expenditure budget now looks as follows:

FOOD PRICES AT THE BEGINNING OF 1933 AND 1938 IN GERMANY

(Prices in Pfennigen.)

Commodities	January 1933	January 1938
Rye bread	56·1	56·1
Wheat flour	6·7	6·4
Rice	9·6	10·4
Split peas	8·6	13·4
Potatoes	15·0	20·5
Carrots	3·5	3·8
Sauerkraut	5·0	6·5
Fat home-produced bacon	9·1	10·6
Margarine (80 grm.)	10·0	—
Margarine (40 grm.)	—	7·5
Butter (40 grm.)	—	11·4
Imported lard	7·7	—
Home-produced lard	—	13·1
Sugar	8·9	9·3
Milk	6·0	6·0
Salt	2·1	2·1
Total per day	<u>148·3</u>	<u>177·1</u>

According to this table, food prices increased between the beginning of 1933 and the beginning of 1938 by about 19½ per cent. According to the official cost of living index, they had increased in the same period by only about 9 per cent. Now, our index is based solely on official price data—the only difference being that we were somewhat more realistic about the commodities put into the food basket which the worker's wife brings home. This stickling for official data has, of course, serious drawbacks. We cannot, for example, take into account the fact that the quality of the goods has declined, since there are no official data available concerning the deterioration in the quality of the consumption goods produced; nor can we take into account price and quality changes for goods other than food-stuffs because no official data are available. We have to construct a mixed index, composed of amended food costs and the very poor uncorrected official index of the cost of the other goods and services that appear in a worker's family budget, such as clothing, rent, &c.¹

¹ Assuming that at so low a wage level, food costs amount to about half of the total expenditure, the actual increase in food costs above the "official increase" is reflected in a proportion of exactly half in the whole cost of living index.

Some may say that it is not justifiable to try to correct only the official German cost of living index; the English index needs correcting too. Indeed, it needs very serious corrections and very many of them—but so does the German index in addition to those already mentioned. For the present we only want to make both indices of about equal quality (badness), and in order to do this it was necessary to improve the German index as much as possible with the help of official data.

If we now correct the above indices of actual earnings in Great Britain and Germany according to changes in the cost of living and according to changes in the deductions from wages, we get the following indices:

ACTUAL REAL EARNINGS IN GREAT BRITAIN AND GERMANY,
1932 AND 1938
(1932 = 100.)

Year	Great Britain	Germany
1932	100	100
1938	108	105

Real wages in Great Britain since 1932 have increased by about 8 per cent. and in Germany by about 5 per cent.—according to the official statistics of both countries. If we take into account the deterioration in the quality of goods, and so on, we arrive for Germany at an increase of at best 1 or 2 or 3 per cent. Real earnings always increase during a period of increasing trade activity. In Great Britain, an increase of earnings by 8 per cent. is probably below "normal". An increase of at best only 3 per cent. or less in a period of rapidly increasing production, as has occurred in Fascist Germany, is unheard of in the whole history of capitalism.

There is one curious matter which seems to contradict the results of our investigation. It will be recalled that the first table of this chapter showed a much greater difference in the development of wage rates in Great Britain and in Germany than the figures on earnings seemingly warrant. Is this due to the fact that the employers in Germany have decided to increase wages above the rates because the rates have gone down instead of up and something had to be done for the workers? The mere asking of this question is at once its denial, for nothing is further from the minds of employers, especially in a Fascist

country, than to raise wages in excess of rates on their own initiative in order to improve the living conditions of the workers. The real reason for this curious development is the following. Fascism implies preparation for war. Preparation for war means relatively increasing employment in the iron, steel and engineering industries, and relatively decreasing employment in the consumption-goods producing industries such as textiles, and the food, drink and tobacco manufacturing industries. Now, wages in all countries, including Germany, are relatively higher in the metal industries than in the consumption-goods industries. Thus, even if, for example, the wages of each textile worker and of each metal worker remain stable, the average wages of textile and metal workers lumped together will increase because the number of the higher-paid workers, i.e., of the metal workers, has increased in relation to the number of the lower-paid textile workers. A simple computation will show the effects of such changes in the number of workers in each trade upon average wages.

1 million textile workers receive 5s. per day	total	5 million s.
1 million metal workers receive 7s. per day	total	7 million s.

Total number of workers 2 million .	total wages	12 million s.
	wage per worker	6s.

1 million textile workers receive 5s. per day	total	5 million s.
2 million metal workers receive 7s. per day	total	14 million s.

Total number of workers 3 million .	total wages	19 million s.
	wage per worker	6s. 4d.

Hence, in this example, without there being an increase in the wages paid per metal worker or per textile worker yet the average wages per worker have increased.

The same phenomenon has occurred in Germany on a gigantic scale—and we can not only state the fact; but we are even able to compute roughly from government statistics the influence this has had on wages. The *Statistische Reichsamt* has published a table¹ showing the development of wage rates per hour and of gross earnings per hour:

¹ *Wirtschaft und Statistik*, February and September 1938.

HOURLY RATES AND EARNINGS IN GERMANY, 1932-3
(1932 = 100.)

Year		Rates	Earnings
1932	. . . .	100	100
1933	. . . .	97	97
1934	. . . .	97	99
1935	. . . .	97	101
1936	. . . .	97	102
1937	. . . .	97	104
1938 ¹	. . . .	97	106

Without any change in wages in the particular industries the change in occupations alone has increased average wages by about 8 per cent. (a small part of the difference is due to overtime payments which raise average earnings per hour slightly). Almost half of the difference between the increase in wage rates and weekly earnings in Germany is explained by the rapid shifting of workers from low-paying consumption-goods industries to relatively higher-paying armament industries without there being any wage increase for the individual textile- or metal-worker.

If we now relate this development to that of average real wages, and if we remember that average real wages have increased by at best 3 per cent. since the extreme low crisis level of 1932, then we see at once that to-day real wages in the individual industries are lower than in 1932. Although, because of the increasing preponderance of armaments workers, average real wages are by at best 3 per cent. higher than in 1932, *the wage of the textile-worker, of the metal-worker, of the miner, and so on, is lower to-day than in 1932. It is, to put it with terrible clarity, below the level attained in the severest crisis* through which the German working class has had to pass.²

Before we conclude this survey of wages we must answer one question the answer to which many readers have looked for in vain: how does the real buying power of the English and the German worker compare to-day? How much purchasing power does the English, and how much does the German worker get?

¹ March 1938.

² A further explanation of the difference between the development of rates and earnings will be found in the next chapter which deals with the development of hours of work, and which shows that the number of hours worked per week has increased considerably since 1932.

The answer to this question can be given only in a very rough-and-ready manner. On the basis of available statistics on actual earnings the average (gross) wage per English adult worker per week can be estimated at about 55s. while the average (gross) wage per German adult worker is about 28s. The wage of the English worker is about twice as high as that of the German worker. This does not mean, however, that the English worker lives exactly twice as well as the German worker. Housing conditions in Germany are, for example, in spite of the prevailing scarcity, better than in England; on the other hand, the English worker feeds very much better than the German worker—the vast majority of German workers suffer from malnutrition while in Great Britain “only” a large minority of the workers are badly nourished. Clothing is in England considerably better than in Germany, in quantity as well as in quality. On the whole it can be said that the standard of living of the English worker is less than twice but more than one and a half times that of the German worker. This is a rough guess, but a guess resting on the basis of numerous scattered facts. Leaving out of account the working conditions, and the degree of relative freedom which the English worker enjoys, &c., there can be no doubt that Great Britain would appear to a German worker (or, what is in this connection more important and of greater significance, to the wife of the German worker who has to buy food, clothing, &c.), as a much better country in which to live, while the wife of the English worker transported to Germany would not have believed it possible that employed workers’ families had to live on so low a standard as they do in Germany.

The standard of living of the German worker is slightly better than that of the unemployed worker in Great Britain and it corresponds probably to that of English workers suffering severely through short time.

This does not exclude the fact that many German workers yet live better than many English workers. The highly skilled German armament workers have more money for food, clothing, rent, &c., at their disposal than many an employed English miner or unskilled building trade worker. We have spoken only of averages, and these exclude, of course, the better but also the lower paid workers. There are many German workers employed on road building, in

agriculture, in the textile industry, &c., who live considerably worse than even unemployed workers in England—and this in spite of the fact that English unemployed workers really have to live under extremely bad conditions.

Before the crisis, in 1928 and 1929, the German workers lived on a lower standard than the English workers—but the difference was not very great and on the whole the German standard of living was about 80 per cent. of that of the English workers. During the crisis the standard of living of the German worker declined rapidly—not only absolutely but also as compared with that of the English workers (whose standard of living declined too). And under Fascism the German standard deteriorated further in relation to that of the English worker.

Before we conclude this comparative discussion of the absolute standard of living, it might be instructive to investigate for both countries, how far actual wages are below what is in each of the two countries regarded as some kind of a minimum standard below which no worker should live even in the opinion of liberal capitalists. As measuring rod for Great Britain we choose the Rowntree standard which is really no more than a subsistence standard for a worker's family, just maintaining their physical efficiency. For Germany no such standard has been computed recently because obviously such a standard would reveal that wages are very much too low even as compared with a subsistence standard of living. We shall compare wages in Germany not with any standard which we regard as adequate but with the standard which the *Statistische Reichsamt* uses as basis for the computation of its cost of living index. I have mentioned already that this standard is higher than that on which the majority of German workers live, but it is by no means better than the Rowntree standard; on the contrary in many respects it is worse. The Rowntree standard of living to-day involves an outlay of about 55s. for a worker's family including three children; the cost of living standard of the *Statistische Reichsamt* which excludes, for example, all expenses for insurance, taxes (much more important in Germany than in Great Britain), &c., amounts to-day to about 40s. per week.¹

¹ For the computation of the German cost of living minimum compare *Finanzpolitische Korrespondenz*, December 17, 1929. If nothing

WAGES AND THE COST OF LIVING ON A MINIMUM OF SUBSISTENCE
LEVEL IN GREAT BRITAIN AND GERMANY

Great Britain ¹		Germany ²	
Industries	Per cent. of Workers Living below the Minimum of Sub- sistence	Regions	Per cent. Wages have to Increase in order to reach the Minimum of Sub- sistence
Agriculture . . .	100	East Prussia . . .	120
Coal Mining . . .	30	West Prussia . . .	127
Mining, other than coal	75	Berlin	17
Public utility services	57	Brandenburg . . .	70
Building	50	Pomerania	91
Textiles	46	Silesia	97
Clothing	29	Saxony-Anhalt . . .	53
Railways	25	Schleswig-Holstein .	55
Leather	24	Hanover-Oldenburg	66
Food, drink and to- bacco	18	Westphalia	41
Brick, pottery, glass and chemicals . .	16	Hessia-Nassau . . .	51
Metal, engineering, shipbuilding . . .	11	Rhine Province . .	38
Woodworking . . .	8	Upper Bavaria . . .	66
Paper, printing, sta- tionery	5	Upper Palatinate and Lower Bavaria . . .	114
Transport and storage (other than rail- ways)	4	Palatinate	53
		Upper and Central Franconia	72
		Lower Franconia . .	63
		Swabia	73
		Saxony	60
		Wurtemberg	55
		Baden	67
		Hessia	59
		Mecklenburg	69
		Thuringia	71
		Brunswick	58
		Hanseatic Towns . .	20

would be added to the German standard except such items as mentioned above, then it would amount to a little less than 50s. and would be on a slightly higher level than the Rowntree standard.

¹ Cf. Jurgen Kuczynski, *Hunger and Work*, p. 107.

² Wages by regions given in *Wirtschaft und Statistik*, April 1938.

There is no industry in Great Britain which does not pay at least some part of its workers wages below the Rowntree minimum. There is no region in Germany where average wages have not to increase by at least 17 per cent. but occasionally by more than 100 per cent. in order to reach the German minimum, without taking into account the fact that this minimum provides for no expenses for taxes, social insurance, trade union dues, &c.

It is obvious that conditions in Germany are very much worse than in Great Britain. There is probably no large region and no large industry in Great Britain where average wages have to be doubled or even increased by 50 per cent. in order to reach the Rowntree minimum. On the other hand, almost the whole German population lives in regions where wages have to be increased by at least 50 per cent. in order to reach the official cost of living standard. If we take into account that the German minimum does not include expenses for taxes, social insurance payments, &c., then we find that there are only two regions where average wages have to increase by less than 50 per cent. in order to reach the official standard of living; and even in these two exceptionally favoured regions where the workers are so "well off" as compared with the German workers in the rest of the country, average wages have to be increased by about 40 per cent. in order to reach the minimum of existence.

When the above figures for Great Britain were published many people were absolutely shocked about conditions here. And indeed, conditions are terrible for a very large part of the population. And yet, looking at the figures for Germany our feelings are numbed and reason ceases to function: *millions and millions of people are living on a standard which is about half of what even anti-labour officials of a Fascist government regard as a minimum for a worker's family!*

To such conditions has Fascism reduced the German worker in the midst of plenty for the rich while production is soaring to ever new record heights and the order books of the big concerns are filled as never before.

CHAPTER II

HOURS OF WORK

UNDER Fascism the number of working hours has increased considerably. When Goering launched his four-years' armament plan in the autumn of 1936 he at the same time made legal the ten-hour day in the building trade. Already previously he had relieved the armament employers of any restrictions on the number of hours worked in their plants. In many armament industries the sixty-hour working-week is to-day the rule and there are a number of establishments which have introduced the two shifts' system, that is, the twelve-hour day.

According to official statistics ¹ the average number of hours worked in Germany has increased since 1932 as follows:

HOURS OF WORK IN GERMANY, 1932-8 (1932 = 100.)

1932	100
1933	104
1934	108
1935	107
1936	110
1937	111
1938	112
Fourth Quarter 1938	115

Hours of work in Germany have increased since 1932 by 15 per cent. Part of this increase is due to the decline of short time but the major part of it is due to a lengthening of the working day. The average working day for industry as a whole in the closing weeks of 1938 was about eight hours. In the capital-goods producing industries it was more than eight hours and in the consumption-goods industries it was round about seven and three quarter hours. This may not seem very much. But

¹ *Statistisches Jahrbuch für das Deutsche Reich*, 1937 and *Wirtschaft und Statistik* monthly, 1937, 1938 and 1939.

if we realise that a considerable number of factories work for one week nine and more hours each day and that during the next week work may proceed on some days for only three hours, though the workers still have to stay on for eight hours or more because a sudden raw material shortage might be remedied "any minute"; if we realise further that many factories work normally only thirty-two hours because of continued shortage of raw materials, then we see that an average of forty-eight hours per week may very well go together with a nine- and ten-hour regular working day in a large section of industry.

For England, unfortunately, no data on the development of the actual working week are available. There has been made one investigation for October 1935.¹ It shows that average hours per week amounted to 47·8 for 1935. This very probably is an increase as compared with 1932, due to the partial disappearance of part-time work. But the increase has undoubtedly been very much smaller than that in Germany. In Germany the workers had to increase their working time between 1932 and 1938 by about 10 per cent. in order to earn about as much as before (if we do not take an average for all occupations lumped together, but of each individual occupation), while in England real wages increased, though slightly, without a corresponding increase in the normal working time.

Furthermore, forty-eight hours of work in Great Britain means something different even as far as the number of hours goes, from forty-eight hours of work in Germany. For forty-eight hours in Great Britain is not composed of such widely varying working weeks as forty-eight hours in Germany. *In Germany there are "agreements" providing for a 104-hour week,*² in Great Britain no agreement exists providing for more than sixty hours per week (although, of course, numerous individual cases of longer hours of work exist, just as in Germany a number of cases of more than 104 hours per week have been found by the factory inspectors).³ On the other hand there are in Germany many cases of a thirty-two-hour week, caused by raw material

¹ *The Ministry of Labour Gazette*, July 1937.

² e.g., in the Power Stations in Baden.

³ The *Jahresberichte der Gewerbeaufsichtsbeamten und Bergbehörden* report of seventeen-, eighteen-, nineteen-, twenty- and up to twenty-four hour working days (e.g., in a Prussian machine building factory, p. 77).

shortage. And as we shall see later, these thirty-two hours may be filled with work of such intensity that the health of the worker is more affected than that of an English worker working fifty-four hours, though in England the intensity of work is very high too!

Finally, while in England most work extending beyond forty-eight hours (though by no means all work), is rewarded with overtime rates, the majority of the workers working more than forty-eight hours in Germany are not paid overtime rates for the first six or twelve hours above this limit.

Returning again to the development of weekly earnings in Great Britain and in Germany, we can now sum up and more fully explain the course of this development. The increase of average weekly money earnings in Germany is occasioned by an increase in the number of hours worked and by a shifting of the working population from the consumption to the destruction (armament) industries. In Great Britain the increase in weekly earnings, though extremely modest, especially if compared with the increase in the cost of living, was due chiefly to an increase in wage rates.

CHAPTER III

PRODUCTIVITY AND INTENSITY OF WORK

IF a worker receives, let us say, 50s. a week, and if we investigate his wages five years later and again find that he receives 50s. a week, and if we then investigate the trend of prices, and if we find that these, too, have not changed, then we come to the conclusion that the purchasing power of the worker has remained the same. If we find, furthermore, that the quality of the goods sold has remained the same, then most people will come to the conclusion that though there may have been many changes in other aspects of his life, in one respect there has been no change: the worker can leave his table neither more nor less hungry or satisfied than before, he can clothe himself as badly or as well as he did before, his rent will not be a greater burden on him than it was before, &c.

This conclusion, however, is not necessarily correct, for it does not take into account one important factor: the intensity of work may have varied during this period. The worker has probably to spend more of his energy and more of his working strength per working day—except where the hours of work per day have declined correspondingly without any wage decline per day and week.

Unfortunately, there are no comprehensive statistics available for the development of the intensity of work, neither for Germany, nor for Great Britain, nor for any other country in the world. But though no statistics are available, the effects of the increasing intensity of work are such that in many cases it is so noticeable that we can definitely say that in this or that country during a certain period the intensity of work has increased.

As to the increase of intensity of work in Great Britain, it certainly has taken place; indeed, it always takes place during a period of increasing business activity. It has been remarked upon by trade unionists, physicians, and others. But, as far as we can judge from various observations, the

increase in intensity of work has probably not been greater, than it had been during the previous period of increasing business activity, from 1922 to 1928.

In Germany the situation is quite different. Even under the rigorous Press censorship which Fascism has set up, German newspapers and journals allude from time to time to the increasing intensity of work. But what is of much more importance is that the last Report of the factory inspectors—a Government publication, be it noted—remarks again and again on the increase in the intensity of work, and not only so, it openly reveals the terrible effects this increase has on the health of the workers. If such statements as those which we quote below are allowed to be published in a Government publication, under a Fascist régime, then it can readily be imagined how enormous the increase in the intensity of work must have been and what the effects of this increase must have been on the worker. The following quotations are all taken from the reports of the factory inspectors (*Jahresberichte der Gewerbeaufsichtsbeamten und Bergbehörden*, Berlin, 1938):

“The intensity of work is generally high; often the workers complained that they feel that they become more nervous and have less resistance against illness because of the intensity with which they have to work.”

An investigation in a metal-ware factory which operated for ten hours a day, and which obviously was doing armament work, gave the following result:

“Of 100 turners who did precision work on piece rates 90 per cent. complained of nervous irritability, fatigue and exhaustion; in spite of the fact that their bodily strength was well developed and in spite of the fact that they were sufficiently nourished they were noticeable by a deep pallor in the face and a fatigued expression.”

Another and even more striking example of the increase in the intensity of work and its effects is given by the same source:

“In a weaving establishment the workers complained that the simultaneous work at six looms was too much for them. Comparative experiments with other establishments showed, however, that simultaneous work at six looms was not the cause, but that the weavers, who

at times worked only 24 hours, over-worked themselves even during this short weekly working period, in order to earn during the short working time as much as possible."

Nothing perhaps is more indicative of the gigantic increase in the intensity of work in Germany than this last example, which shows that even a twenty-four-hour week is too much for the workers under Fascist high-pressure working conditions.

If we realise that the intensity of work has increased in Great Britain, but that it has increased infinitely more in Fascist Germany, then the wage data which we have studied in the first chapter have to be scrutinised again from another point of view. The difference between conditions in Germany and those in Great Britain becomes even more marked. For in spite of the fact that the development of real wages in Fascist Germany was worse than in Great Britain, the intensity of work—that is, the expenditure of working power per worker—was considerably higher in Germany than in Great Britain. That is, *while paying him less and less, Fascism took out more and more from the German worker.*

But did Fascism really get more and more out of the worker? We know it did take and does take more and more out of him. But taking and benefiting from what one takes are very different things. True, the worker in Germany had to work more and more intensely, but did he also at the same time produce more and more? In the following table we give some data on the development of productivity, that is, output per worker in Great Britain and in Fascist Germany:

[PRODUCTIVITY PER WORKER IN GREAT BRITAIN AND GERMANY, 1932-7
(1932 = 100.)

Year	Great Britain ¹	Germany ²
1932	100	100
1933	102	101
1934	109	102
1935	114	107
1936	119	110
1937	120	111

¹ Cf. Production and Employment statistics in *The Ministry of Labour Gazette*, November 1938.

² Cf. Production and Employment statistics published by the *Institut für Konjunkturforschung* in Berlin.

Although the intensity of work has increased vastly more in Germany than in Great Britain, productivity per worker has increased much more in Great Britain. And if we take into account the increase in hours worked, we find that in Germany productivity per hour has not increased at all while in Great Britain it has increased considerably.

Why was productivity per hour in Germany the same in 1932 and in 1937 in spite of the fact that the intensity of work has increased so very much? There are various reasons for this. First, constant interruptions of work because of raw-material shortage, or because the raw material available is so bad that it constantly breaks up the production process (repeated breaking of the threads in spinning, for instance) or a high percentage of waste because of the bad quality of the raw materials. Furthermore, the deterioration in the health of the worker contributes to the lowering of productivity; an under-nourished worker working with a considerably greater intensity than a well-nourished worker may easily produce less than the latter. Finally, more and more unskilled workers and women and youths do work requiring a skilled worker.

A striking example of this development is the case of the coal-mining industry. The *Frankfurter Zeitung* of March 1, 1939, gave the following figures for coal mined per shift and per worker in the Ruhr district: 1932, 2,093 kg.; 1936, 2,199 kg.; 1937, 2,054 kg.; and 1938, 1,972 kg. A few weeks previously the *Ruhrarbeiter*,¹ the National Socialist paper for the miners wrote:

“The constant overworking leads to serious illnesses, to convulsions, to giddiness, and to nervous excitability.”

We find that productivity has declined by about 10 per cent. within two years while at the same time the intensity of work has risen so much that the miners are becoming complete wrecks.

Thus, labour conditions in Germany are such that the German worker working with much greater intensity than the English worker can produce less per hour than the English worker working intensely but not quite as intensely as the German worker. Here we have one of the many examples of the seeming paradoxes inherent in Fascist economy in contrast to finance capitalist Great Britain. In Great Britain the English workers are more and more being

¹ Quoted in the *Deutsche Volkszeitung*, February 19, 1939.

pressed to work with ever greater haste; and in many factories the speeding-up process is simply terrific. But it is not yet such that in spite of greater intensity of work the productivity per worker and per hour is declining. *In Fascist Germany speeding-up combined with bad nourishment and bad raw materials has been such that in spite of greater intensity of work the worker's productivity has declined.*¹

¹ This does not mean, of course, that productivity has declined everywhere in Germany: in the armament industries it has increased so much that in some branches of the industry workers to-day produce about twice as much as they did in 1932. On the other hand, there are in Great Britain some industries in which productivity has barely increased at all.

CHAPTER IV

ACCIDENTS

CLOSELY connected with the problem of intensity of work is that of accidents. It is a general experience in all industrial countries that speeding-up means more accidents. Speeding-up is not the sole cause of accidents, and a certain number of accidents are difficult to avoid. Often accidents are also caused because workers who have forgotten how to handle their tools and the machines because of long unemployment are put to work at a speed which they simply cannot keep up. Therefore, we can observe that after a long and severe crisis accidents often increase for a year or two during the period of increasing business activity. But we usually observe that this increase in accidents continues even when employment increases only slowly through the re-engaging of long-ago-dismissed workers. Other causes, and especially the continually increasing intensity of work, contribute to a rise of the accident rate.

It will be deduced from the preceding chapter that accidents have increased very rapidly in Germany, and that they have increased considerably more than in Great Britain; otherwise our quotations and statements about the startling increase in the intensity of work in Fascist Germany cannot be true.

In the following table we give the official figures for accidents per 1,000 workers. The figures for the two countries are not absolutely comparable because the German figures are more comprehensive than the English, and because the English figures refer to cases for which compensation has been paid while the German refer to all accidents which have been registered with the accident insurance (*Invaliden-Versicherung*) whether they have been compensated or not.

In both countries the accident rate has increased. But the increase has been vastly greater in Germany than in

Great Britain. This has been due partly to the fact that many more (long unemployed) workers were re-engaged in Germany than in Great Britain, and that in Germany the number of hours worked per day had increased more than in Great Britain so that the worker was exposed to accidents for a longer period each day, and last but by no means least to the fact that the intensity of work has increased so much more in Germany than in Great Britain.

ACCIDENTS IN GREAT BRITAIN AND GERMANY, 1932-7
(Rate per 1,000 Workers.)

Year	Great Britain ¹	Germany ²
1932	52.2	33.9
1933	50.6	36.8
1934	54.0	44.1
1935	55.5	47.2
1936	57.5	50.5
1937	58.4	56.5

While on the basis of existing statistics it is not possible to find out in which country the accident rate is higher, the official statistics of both countries show quite clearly in which country the accident rate has increased more: it has increased very much more in Fascist Germany than in Great Britain.

If we look at the absolute figures, which again should not be compared with each other but only as to their relative development in the course of the period under review, the terrible effects of the increase of accidents upon the working population becomes even clearer.

NUMBER OF ACCIDENTS IN GREAT BRITAIN AND GERMANY ³

Year	Great Britain	Germany
1932	350,674	827,000
1933	346,273	929,600
1934	387,953	1,173,600
1935	409,231	1,354,300
1936	445,222	1,533,800
1937	473,736	1,766,800

¹ Computed from Table 138 in the *Statistical Abstract for the U.K.* 1939.

² *Reichsarbeitsblatt*, heft 9, 1938.

³ Sources same as for the first table on accidents.

In Germany the absolute number of accidents has doubled while the number of workers has increased by only about 50 per cent. In Great Britain it has increased by 35 per cent.—also a very serious increase but still considerably below that in Germany—while the actual labour force has increased by about 12 per cent. In Germany about every eighteenth worker is so severely injured each year that the accident has to be registered with the accident insurance. If we assume a working life of about forty years for each worker, every worker is at least twice in his life so severely injured that the accident has to be notified to the accident insurance.

But if we review the amount of compensation paid, the picture changes completely. While as to the number and rate of accidents the figures for Germany mounted very much more quickly than those for England, the compensation paid does not mount rapidly in Great Britain but compared with that paid in Germany it has risen appreciably.

ACCIDENT COMPENSATION IN GREAT BRITAIN AND GERMANY ¹

Year	Great Britain £ million	Germany ² RM. million
1932	5.09	333
1933	4.93	307
1934	5.28	317
1935	5.71	339
1936	5.94	350
1937	6.23	367

While the number of accidents has more than doubled in Germany and while it has increased in Great Britain by 35 per cent., the compensation paid has increased in Great Britain by 22 per cent., while in Germany it has increased by only about 10 per cent. Again we have one of those cruel cross-currents which are so characteristic of conditions under Fascism and which show so clearly how very, very badly off workers are under a Fascist régime. While the number of accidents is rapidly increasing in Germany, the amount of compensation paid either declines or increases but very slowly. In Great Britain, on the other hand, where accidents are mounting in

¹ Sources same as for the first table on accidents.

² Total expenditures of Accident Insurance.

number, too, and where the compensation per accident is really shamelessly low, at any rate the number of accidents and the amount of compensation paid do move in the same direction and at a not very different pace, though in Great Britain, too, accident insurance payments per accident have declined.

CHAPTER V

THE MOBILITY OF LABOUR

WHILE this first part of our study of labour conditions deals with Great Britain and Germany, this chapter deals solely with Germany, because nothing of special interest is to be observed regarding the development of the mobility of labour in Great Britain. No measures have been taken to prevent the worker from moving from one factory to another, or from one region to another if he cares to. No doubt his freedom to move has been severely restricted by the general development of labour conditions, especially the high degree of unemployment, but this is not a special development dating from 1932; it goes farther back to the first post-war years. On the other hand, in Germany, under Fascism, a new development has taken place which restricts very seriously indeed the worker's freedom to move, and which has a considerable influence on working and living conditions. Whole sections of workers are forbidden to leave their occupations in order to find others. Agricultural workers are not allowed to leave the country and move into the cities except with the permission of the labour-exchange office which supervises the district in which they work; the labour exchange rarely gives permission for a change of job, and usually only if it is a change to an armament industry. The decrees of November 7, 1936, and February 11, 1937, forbade metal workers, and that of October 6, 1937, masons and carpenters, to change not only their occupations but also their working place without permission of the labour exchange. On June 25, 1938, a decree was published putting all Germans under industrial conscription. The first paragraph of this decree says:

“All Germans can be obliged by the President of the Labour Exchange Office to work for a certain period of

time at a job assigned to them or to undergo training for a certain occupation.”¹

Under this decree hundreds of thousands of workers were, in the second half of 1938, commandeered to carry out work on fortifications. Employers received an order to put within twenty-four hours or, if the matter were regarded as less urgent, within a few days, a certain percentage of their workers at the disposal of the authorities, and the workers were often sent hundreds of miles away from their homes. *The worker has thus become unfree not only as regards his movements from one job to another. In addition, he has become unfree to stay at his work if he wants to. He is simply in the position of a soldier who likewise can be ordered around at the pleasure of the high command.* But not only is he not free to move or to stay. Many female workers who had given up work were under the decree mentioned above called back to work in September 1938. They had assigned to them certain jobs and had to start on them right away, whatever their arrangements at home had been.

The severe restriction of the freedom of mobility has led recently to a considerable number of onslaughts on the wage structure. A worker from a large metal factory in Saxony, for example, reports:

“Since the introduction of the general labour service and since the decrees have been issued, stating that jobs may be changed only with permission of the labour exchange, our company not only has refused to listen to complaints regarding individual cases of the fixing of piece rates, but in addition it has reduced the piece rates for all machine workers by 10 to 15 per cent.”

In a certain sense the mobility of labour is restricted even before the real working life of a juvenile has begun. For before he is allowed to start to work he has to serve half a year in the labour service (Act of June 26, 1935), where he is not paid any wages, but at best gets a little pocket money. A special decree has been issued for women who are not covered in their entirety by the original labour service law. A decree, dated February 15, 1938, forbids female workers

¹ An order issued on February 13, 1939, extends industrial conscription to all persons domiciled in Germany, other than foreign nationals exempted under State treaties or the reorganised rules of international law.

below the age of twenty-five to enter employment in the clothing, textile, and tobacco industries without having first served a year in agricultural work or as servants. A new decree dated January 1, 1939, extends the decree of February 15, 1938, to all industries.

The freedom of mobility has been taken away from labour to a degree which makes one question whether one can really still speak of a proletariat such as we have known since the Industrial Revolution. One can speak of the German worker only in a very limited sense as a "free-wage worker", free to sell his labour where he gets the least lowly price for it. A worker working in an armament factory at an intense speed for ten or twelve hours a day, constantly menaced by the increasing danger of accidents, at a wage which drives the family standard of living below the subsistence level, is absolutely chained to his job, has practically no chance to get permission to change his job, and can be taken as a representative of the new kind of worker created in Germany: a slave of finance capitalism, and more specifically, of the armament industry.

CHAPTER VI

UNEMPLOYMENT

UNEMPLOYMENT has to all intents and purposes disappeared in Fascist Germany. In Great Britain it declined somewhat during the years of increasing business activity, but in 1938, when business began to slacken off, it grew again. The following table shows the trend on the basis of official statistics:

UNEMPLOYMENT IN GREAT BRITAIN AND GERMANY, 1932-8

Year		Great Britain ¹	Germany ²
1932	. . . .	2,745,000	5,580,000
1933	. . . .	2,521,000	4,733,000
1934	. . . .	2,159,000	2,658,000
1935	. . . .	2,037,000	2,147,000
1936	. . . .	1,755,000	1,550,000
1937	. . . .	1,489,000	892,000
1938	. . . .	1,791,000	407,000

During the crisis unemployment was very much higher in Germany than in Great Britain. But since then unemployment has not even been halved in Great Britain, while in Germany it has fallen to absolutely negligible proportions. However, it is not merely that unemployment in Germany is negligible; there is, in addition, a serious shortage of labour.

Before we examine this interesting development further, it is advisable to add to the above table one showing the development of employment in both countries. For it might be that while in one country unemployment does not develop as favourably as in another country, employment develops more favourably—this happens if for various

¹ Cf. *The Ministry of Labour Gazette*, November 1938 and February 1939.

² *Statistisches Handbuch der Weltwirtschaft*, Ausgabe 1937, and *Wirtschaft und Statistik*, 1938 and 1939.

reasons the number of persons seeking jobs increases in the former country considerably more than in the latter.

Suppose, for example, that in each of two countries unemployment declines by 10 per cent. or 100,000; suppose further that in one country the new age group entering the labour market is normal, but in the other country, because of war conditions 15 years back, it is especially low. If in both countries unemployment has developed equally, this means that the country with the larger new labour force must have found employment for a larger number of workers than that with the smaller new labour force. This means that while unemployment conditions in both countries have developed equally, employment conditions in the country with the larger new labour force have developed more favourably than in the other country.

EMPLOYMENT IN GREAT BRITAIN AND GERMANY, 1932-8 ¹

Year	Great Britain	Germany
1932	9,348,000	12,499,000
1933	9,682,000	13,070,000
1934	10,138,000	15,107,000
1935	10,377,000	16,062,000
1936	10,912,000	17,163,000
1937	11,494,000	18,354,000
1838	11,406,000	19,566,000

The resulting picture seems even more favourable to Fascist Germany than the previous one. According to the above table over 7,000,000 more persons are employed to-day in Germany, 2,000,000 more than according to the unemployment statistics found employment, while in England only 1,000,000 more persons found employment than the unemployment figures indicate.

Some statisticians have made computations purporting to show that most of the workers have found employment because of the increase of the German army, the introduction of the labour service, &c., and in this way they have tried to explain away the fact that unemployment has diminished rapidly in Germany, and has indeed almost disappeared. But, though probably over a million people have found "employment" in the army and in various forced services, the decline in unemployment has been so

¹ Same sources as former table, and quarterly and weekly reports of the *Institut für Konjunkturforschung*.

large that these factors do not play a decisive or even an important rôle.

The favourable development of unemployment in Fascist Germany, however, does not mean that the Fascist régime has done something to raise permanently the standard of living and working of the German wage-earner. During the first year or two the decline in unemployment certainly impressed many workers so deeply that, instead of continuing to be anti-Fascist, they became rather uninterested in politics—neutral. But this effect soon wore off, and to-day the workers realise what was and is behind this wonder of the disappearance of unemployment.

How was unemployment abolished in Germany? When Hitler came to power the lowest point of the crisis had been reached about six months previously, production had already risen by 10 per cent. and the confidence of the capitalists in the upswing of business was expressed in a rise of 30 per cent. in stock-exchange quotations. But production had also risen in other countries, and yet in the following months and years none could show such a decline in unemployment as Germany. What did Fascism do? What caused such a rapid rise in employment? Fascism raised taxation to a level which has been unsurpassed in the history of German capitalism. Contributions for social insurance were taken over by the Government through forced loans. The burden on the masses of the people was heavily increased, and instead of wage increases such as had occurred in other countries, wages were kept at the crisis level. The money taken in ever-increasing amounts from the masses of the people or kept from them through preventing an increase in real wages was used for armament orders, which led to increasing employment. What really happened was that more and more workers were employed at the expense of the masses of the people.

But not only the methods of securing employment for the workers are of importance. A second point, worth the most serious attention, is: on what kind of work are they employed? The newly employed workers and many of those who already had employment were, and still are, occupied in producing instruments of destruction—instruments destined to kill off their brother workers in other countries, and in effect to ask for a reply in kind. The disappearance of unemployment in Germany means that

the armament monopolies have set a very large part of the German population to work for their own destruction at their own expense.

Thus the workers have to pay through increased taxes, numerous collections, high insurance contributions, low insurance benefits, low real wages, and so on, for the privilege of producing weapons menacing their brothers in other countries, while the production of these weapons leads to an increase in the production of similar weapons in other countries too, weapons which will be used against the German workers. In this way, Hitler has abolished unemployment, having introduced measures which have led to a favourable development of unemployment and employment—a development, however, which is not at all in the interests of the German workers, but, on the contrary, is of the greatest danger to the whole German working class. Again we see the creation of one of the many new dialectical situations under Fascism: *a favourable development of employment and unemployment—to the detriment of the German worker.*

But not only has unemployment been abolished in Germany; there is to-day a shortage of labour, while in Great Britain unemployment is still high. This shortage of labour is leading to a rapid increase in female labour, especially so in the war industries. Labour shortage, which often occurred in the nineteenth century in many countries, among them Great Britain, always led to increasing real wages and generally improved labour conditions. In Germany it leads to the increasing employment of women, and soon it will lead also to an increase in the employment of children. There is no economic difficulty which cannot be overcome by Fascism in some way so long as it does not encounter serious and determined active opposition from a very large part of the working class joined by a similar opposition from other groups among the masses of the people.

If we look at the amount of benefit paid out by the unemployment insurance funds in Great Britain and in Germany, we find in both a decrease, a decrease which has, of course, been very much greater in Germany than in Great Britain. What have been the advantages to the workers of the sounder financial position of the unemployment insurance fund in both countries?

In Great Britain the Unemployment Insurance Act of

1934 restored many of the cuts made during the crisis. In the following year an unemployment insurance order increased the rate of benefit for children. The unemployment insurance order of July 1936 left the rates of benefit unchanged while it reduced the weekly contributions. In October of the same year agriculture was added to the trades covered by unemployment insurance.

Nobody would say that these improvements are very great—on the other hand, it would be wrong to say that no improvements at all have taken place.

What has happened during the same period in Fascist Germany? Have the contributions (which during the crisis had been increased considerably more than in Great Britain) been lowered again, and, if so, by how much? They have not been lowered at all, but instead are still at the very high crisis level. Have the benefits been increased, the benefits which were lowered rapidly during the crisis; and, if so, by how much? The benefits have not been increased at all from the low level reached during the crisis. But what, then, has happened to all the money which must have been saved during recent years when unemployment declined so sharply in Germany? Has the unemployment insurance fund swollen to gigantic proportions, accumulated millions, nay hundreds of millions, of pounds? No, it has increased a little, but nothing like what one would have expected in a period of rapidly falling unemployment, stable rates, and stable contributions. A very high percentage of the money which the unemployment insurance fund has accumulated during each year has been confiscated by the Reich.

PAYMENTS OF THE GERMAN UNEMPLOYMENT INSURANCE FUND TO THE REICH

(Thousand Millions of Marks.¹)

Year	Amount
1932	—
1933	0·1
1934	0·1
1935	0·2
1936	0·5
1937	1·0

¹ From the monthly and yearly reports of the Unemployment Insurance published regularly in the *Reichsarbeitsblatt*.

During 1938 the unemployment insurance fund is expected to have paid at least £100,000,000 to the Reich. The Reich uses the money to pay for new armament orders. *We witness here a most important development of a conversion of a social insurance contribution by the workers into a tax upon the workers for the furtherance of the preparations for war.* While formerly the income of the unemployment insurance fund was used to pay out benefits to the unemployed workers, the fund is used to-day to pay for armament orders—a transformation absolutely typical of many of the economic miracles of Fascism, typical also of the undisguised brutality with which Fascism proceeds to get money out of the workers.

CHAPTER VII

HEALTH CONDITIONS

HEALTH conditions among workers are determined chiefly by two factors: progress in general sanitary conditions, and progress in general working and living conditions. Progress in general sanitary conditions is usually very slow, and its influence is seen only if we observe the development over long periods. Changes in general working and living conditions, on the other hand, find their expression very quickly in the improvement or deterioration of the health of the workers, especially if these changes are very marked. Unfortunately health statistics for Great Britain as well as for Germany are not of a very high standard; moreover, especially in Germany, there are so many conflicting tendencies at work that, even if the statistics were good, they would not be sufficient to show what has really happened, and finally the statistics available for the two countries are not easily comparable.

HEALTH CONDITIONS IN GREAT BRITAIN, 1932-7 ¹

			Insurance Prescriptions Issued per Person	
Year			Number	Value
1932	.	.	4·19	2s. 9½d.
1933	.	.	4·56	2s. 11½d.
1934	.	.	4·49	2s. 11d.
1935	.	.	4·60	3s. 0d.
1936	.	.	4·72	3s. 1½d.
1937	.	.	4·75	3s. 2d.

There is no reason to assume that the health insurance authorities have decided to issue more or better prescriptions. It may safely be assumed from the above table that the state of health of the English workers has deteriorated in recent years, the prescriptions per worker having increased between 1932 and 1937 by about 13 per cent. This in-

¹ Annual Reports of the Ministry of Health, 1932-3 to 1937-8.

crease in prescriptions is due chiefly to an increase in the incidence of illness per worker, which in turn is probably brought about chiefly by the increase in the intensity of work without a corresponding increase in the standard of living.

German health statistics are in certain respects better. They give the number of cases of illness per insured worker and the number of days the worker has had to stay away from his place of work in order to cure the sickness.

HEALTH CONDITIONS IN GERMANY, 1932-7 ¹

Year	Number of Outbreaks of Illness per Insured Member			Number of Days of Illness per Insured Member
1932	.	.	2.1	8.8
1933	.	.	2.3	8.9
1934	.	.	2.6	8.3
1935	.	.	2.8	8.8
1936	.	.	2.8	8.8
1937	.	.	2.8	9.0

Again the German figures are puzzling and seemingly contradictory. The number of outbreaks of illness has increased very rapidly by about one-third since 1932 ²—much more so than in Great Britain. On the other hand the number of days the individual sick worker has had to stay away from his work has remained about stable. Should one draw from this the conclusion that on the one hand the German workers are more often sick, but, thank God, on the other hand the sickness is much less severe than it used to be before Fascism came into power! Such an interpretation is quite wrong. The first column of the table is indicative of the declining power of resistance of the German worker. Bad or adulterated food, a rapid increase in the intensity of work, and over-long working days have undermined the health of the German worker. In spite of the strongest pressure exerted by the employers upon the workers not to declare themselves ill, threatening to treat them as saboteurs of the German people and its armament programme if they declare themselves ill, the

¹ *Wirtschaft und Statistik*, May 1938 and *Statistisches Jahrbuch für das Deutsche Reich*, 1938.

² The fact that in the last two years under review the number of outbreaks has not increased is due to the fact that the strongest pressure has been used to prevent workers from stopping work because of illness.

number of outbreaks of illness has increased rapidly. If the pressure upon the worker had not been considerably greater than it was in the years before Fascism came to power, the number of cases would not have increased by one-third but would have probably doubled.

The second column is indicative of the enormous pressure exerted by the employers upon the worker to come back to work as soon as possible, and by the health insurance authorities which stop all benefit long before the worker is restored to health in order to force him to return to work. The following table could theoretically be headed: How long does it take each sick worker to recover from his illness? But it is only right to head it as follows:

NUMBER OF DAYS THE ILL WORKER IS ALLOWED TO STAY AWAY
FROM WORK IN GERMANY, 1932-7

Year	Number of Days			
1932				4.2
1933				3.9
1934				3.2
1935				3.1
1936				3.1
1937				3.2

Fewer and fewer days is the German worker allowed in which to recover from his illness—quicker and quicker, even if still ill, has he to return to work—though in 1937 his health was undermined to such a degree that even the greatest pressure could not prevent his staying away from work slightly longer than in 1936.

CHAPTER VIII

SOCIAL INSURANCE

FROM some of the foregoing chapters the reader will have gained an insight into the development of some of the branches of the German social insurance system. Unemployment insurance, for instance, has been converted into a new form of taxation; accident insurance has not shrunk in its services in so far as total expenditure is slightly higher than in 1932, but on the other hand accidents have increased so much more that its services per injured worker have rapidly declined. In Great Britain unemployment insurance, though paying out absolutely inadequate benefit, at least improved its services somewhat after the severe cuts during the crisis, while accident insurance services have at least partly gone up with the number of accidents. However, there are many other branches of the social insurance system, and some of them will be studied in more detail in this chapter.

Let us begin with pensions to widows and orphans:

PENSIONS TO WIDOWS AND CHILDREN IN ENGLAND AND WALES,¹ 1932-7

(Number of Beneficiaries in millions.)

Year ²	Widows	Children
1932	0·66	0·29
1933	0·64	0·29
1934	0·66	0·29
1935	0·67	0·28
1936	0·70	0·26
1937	0·72	0·26

The number of widowed beneficiaries has increased by about 10 per cent. during the period under review while

¹ Ministry of Health, Annual Report, 1932-3 to 1937-8.

² Figures for December 31.

that of children has declined by about 10 per cent. On the whole the number of beneficiaries has slightly increased. The increase in the number of widows very probably does not mean that the Government is more ready to award pensions but that the number of widows has increased more.

PENSIONS TO WIDOWS AND CHILDREN IN GERMANY,¹ 1932-8

(Number of Beneficiaries in millions.)

Year ²	Widows	Children
1932	0·65	0·55
1933	0·56	0·35
1934	0·58	0·35
1935	0·59	0·33
1936	0·61	0·31
1937	0·63	0·29
1938	0·65	0·28

The number of widowed beneficiaries is to-day about the same as in 1932—but the number of widows is very much greater, and not least because the number of workers killed by accidents has risen so rapidly. At the same time the number of children receiving aid from the insurance system has been almost halved—a simply incredibly brutal procedure.

PENSIONS TO WIDOWS AND CHILDREN IN ENGLAND AND WALES
AND GERMANY,³ 1932-7

(Millions of Pounds and of Marks.)

Year	Pensions to Widows		Pensions to Children	
	Great Britain	Germany	Great Britain	Germany
1932 .	18	142	0·30	59
1933 .	19	131	0·31	48
1934 .	20	135	0·32	47
1935 .	20	142	0·32	44
1936 .	21	147	0·31	41
1937 .	21	152	0·29	38

¹ *Statistisches Jahrbuch, 1937 and Reichsarbeitsblatt.*

² January 1.

³ Same sources for the two countries as in preceding tables.

If we compare this table, giving the amount of benefits paid, and the preceding table, informing us about the number of beneficiaries, we see that in both countries payments per beneficiary have slightly increased. In Great Britain obviously the same policy was followed as in the case of unemployment insurance: a slight improvement in benefits for the individual beneficiary. In Germany, however, Fascism followed another line. It was dangerous and it still is politically too dangerous drastically to cut down the benefit per beneficiary. Therefore, Fascism did not cut down the benefit but the beneficiaries. The number of widows and children allowed to draw benefit was cut down heavily absolutely and/or relatively, and Fascism succeeded in saving millions of marks which were used for armament purposes.

This chapter ought to be concluded with a comparative survey of the whole expenditure upon social services in Great Britain and in Germany. Unfortunately, however, no data are available for the whole of the national and/or local social expenditure in Great Britain, and it is too difficult to construct such figures from the existing data since the financial years of the different social insurance institutions are not identical, ending in some cases on December 31 and in others on March 31. But the whole trend of social service expenditure is so well known from all the data published that it can be summarised as follows: on the whole a slight increase in the amount of benefit per person receiving benefits; on the whole a slight increase in the number of persons benefited, with the exception of unemployment insurance (where the number of persons benefited has decreased until recently because of increasing employment and declining unemployment) and of the children's pensions system. It would be wrong to say that the social insurance system in Great Britain has, during recent years, taken a favourable development from the point of view of the worker, but it would be equally wrong to overlook certain small improvements, not necessarily improvements as compared with 1928 or 1929, but as compared with the depths of the crisis.

In Germany the situation developed differently. Excellent social insurance statistics facilitate a survey of the development as a whole:

SOCIAL INSURANCE FINANCE IN GERMANY, 1932-7 ¹

(Millions of Marks.)

Year	Revenues	Expenditures	Funds
1932 . .	3,316	3,304	4,628
1933 . .	3,305	3,140	4,774
1934 . .	3,780	3,356	5,194
1935 . .	4,060	3,579	5,721
1936 . .	4,457	3,750	6,495
1937 . .	4,709	3,816	7,439

Revenue has increased by over 40 per cent.; expenditure has increased by only about 15 per cent.; and reserve funds have increased by about 60 per cent. The increase in funds would have been even greater if the unemployment insurance fund were not obliged to pay out large sums to the Reich for purposes which have nothing to do with social insurance but rather with the Fascist armament programme.

The increase in social insurance expenditure of about 15 per cent. does not mean an enlargement of the activities of German social insurance or more readiness to do good within the old sphere of its activity. The increase is necessitated solely by a much greater increase in the need for social insurance work because of increasing accidents, deterioration in health conditions, and so on. The increase in revenue is due to the fact that because of the decline of unemployment and the increase in employment more and more workers paid in contributions. If, as is the case in Germany, revenue from dues is constantly increasing, and is increasing rapidly, and if at the same time the outgoings of the social insurance system (that is, chiefly benefit payments) are increasing, if at all, only slightly, then some kind of transformation takes place in the whole character of the social insurance system. It might be, of course, that such a development is necessary because funds are low and should be brought up to a satisfactory level. This level, however, has long been reached. Funds to-day are more than double the total expenditure of the crisis year 1932.

What, then, is the reason for the continuance of high rates and rapidly increasing revenue with only slightly increasing expenditure? The reason has nothing to do with social insurance, but, as we can guess, it has very much to do with the armaments programme. True, only

¹ *Wirtschaft und Statistik*, yearly surveys.

the unemployment insurance fund pays out directly large sums to the Reich for financing armament undertakings. But the other funds, too, support the armaments programme of the Fascist Government in Germany. They do this by subscribing to armament loans issued by the Reich. The value of bonds and Government Bills held by the different social insurance funds has increased in the last five years by 2,000,000,000 marks. *The funds of the social insurance institutions are used as treasuries by the Fascist Government. This means that part of the insurance dues which the workers pay have changed character and are now nothing but indirect forced loans to the Government.* These loans, moreover, are lost in case of inflation. They are all the more certainly lost because they cannot be sold on the market before inflation has rendered them valueless. For the Government can force the institutions to keep these bonds and bills in their safes. *Social insurance in Germany has been partially transformed into plain downright robbery of the working class.*

CHAPTER IX

THE RELATIVE POSITION OF THE WORKERS

IN the preceding chapters we have investigated labour conditions in Great Britain and Germany as they are taken by themselves. We have investigated how wages and their purchasing power have moved; we have studied the development of working conditions, that is, of hours of work, the intensity of work, the productivity of labour and accidents; we have investigated unemployment and health conditions and the general development of social insurance institutions. For most of these factors we found statistics which enabled us to compare conditions in Fascist Germany and Great Britain.

But one question we have left completely out of account. We have not yet investigated, how labour conditions developed as compared with the condition of the rest of the population or, more specifically, as compared with conditions among the employers. It might theoretically be possible for labour conditions in one country to develop very unfavourably as compared with the conditions of workers in another country; but at the same time conditions among the employers, for example, may have developed also relatively unfavourably. Or, it might be the case for conditions among the workers in one country to be especially bad as compared with those in another country, while at the same time conditions among the employers, for example, might be especially good as compared with those in another country.

How, then, have relative labour conditions (that is, labour conditions as compared with the conditions of other groups and classes of the same economic system) developed in Great Britain and in Germany? In the following tables we compare the development of wages and other kinds of income in Great Britain and Germany.

INCOME OF WORKERS AND SALARIED EMPLOYEES AS COMPARED WITH ALL OTHER INCOME IN GREAT BRITAIN AND GERMANY, 1932-7

Year	Income of Workers and Salaried Employees		Income of Employers, and Others	
	Great Britain ¹	Germany ²	Great Britain ¹	Germany ²
1932 .	100	100	100	100
1933 .	102	97	104	119
1934 .	106	103	116	154
1935 .	111	110	128	177
1936 .	118	117	138	199
1937 .	125	124	149	248

This table is extraordinarily revealing. The total income in the form of wages, salaries, and insurance benefits, &c., has increased less in Germany than in Great Britain (and it has not increased, as previous tables have disclosed, chiefly because the worker's income has increased, but because the number of employed workers has increased considerably). If we also look at the other columns, showing the income of employers and other groups of the population, then we realise what Fascism means to the ruling class. The income of the wage-earning and salaried employees' class has risen by about one-quarter in Great Britain while that of the employers has increased by about one-half, or twice as much. In Fascist Germany, on the other hand, the income of the entire working class (before allowance for deductions and price rises has been made) has increased by less than one-quarter while that of the employers has increased two-and-a-half times. The income of the employers has risen much more quickly in Fascist Germany than in Great Britain, and it has risen much more in relation to that of the working class in Fascist Germany than in Great Britain. The relative decline in the income of the working class becomes very

¹ Based on Colin Clark, *National Income and Outlay*, for 1936 and 1937 estimates, and Jürgen Kuczynski, *Hunger and Work*.

² Based on data given in *Statistisches Jahrbuch* 1937 and 1938, and taking into account the increase of deductions from wages for collections, taxes, &c.

clear from the following table showing the position of labour relative to that of the employers.

RELATIVE POSITION OF LABOUR IN GERMANY AND GREAT BRITAIN,¹
1932-7

(1932 = 100.)					Great Britain	Germany
Year						
1932	.	.	.	.	100	100
1933	.	.	.	.	98	82
1934	.	.	.	.	91	67
1935	.	.	.	.	87	62
1936	.	.	.	.	86	59
1937	.	.	.	.	84	50

The relative position of labour has deteriorated in Fascist Germany vastly more than in Great Britain. The exploitation of labour has been infinitely greater in Fascist Germany than in Great Britain, and the profits made by the ruling class have been very much higher in Fascist Germany than in Great Britain.

Finance capitalism, "pure and simple", as it rules in Great Britain is pernicious enough for the working class, whose relative position has deteriorated by 16 per cent. But in Fascist Germany the working class has suffered, expressed in figures, three times as much, the relative position of the working class having deteriorated by 50 per cent.

What, however, are figures! If somebody has barely enough to eat, and $\frac{1}{2}$ per cent. of his earnings is taken away, this $\frac{1}{2}$ per cent. means untold suffering. In order to understand figures, we must try to understand what is behind them, and as for labour conditions in Fascist Germany there is only one kind of life behind them, and this life is one of terrible misery and suffering.

¹ This table is computed by dividing the index of the workers' income by that of the employers' income. If the employers' income did not include also the income of shopkeepers, professional people, and so on, the relative rise of their position would appear still more steep.

CHAPTER X

THE PLEASURES OF LIFE

IF we compare the number of workers who set out for theatricals, films, vacation trips, week-end hikes, buy radio sets, or save up for motor-cars in Germany and Great Britain we arrive (on the basis of the many but scattered, and especially for England not very comprehensive, data) at the curious conclusion that the German worker spends on such things much more than the English worker. It can even be said that probably no worker in the whole world eats as badly, is clothed as poorly, suffers so much from bad health, accidents, and generally bad working and living conditions as the German worker, and at the same time spends so much money on the pleasures of life. How is this to be explained? Does the German worker prefer theatrical performances or a week-end hike, or even a trip to Portugal or the Scandinavian countries, to having enough to eat and enough to clothe himself? This explanation is obviously a silly one. And yet, how else explain the really excessive spending of the German workers as compared with the English workers on the above-mentioned pleasures of life?

The explanation lies in the fact that all these pleasures are organised by the State, the party organisations, the Labour front, &c., and that the worker is forced to spend part of his earnings on such pleasures. If he does not want to lose his job, if he does not want to be singled out as an enemy of the Fascist system, he is obliged to pay his dues to organisations which arrange for the common enjoyment of these pleasures. Many lower State officials to-day are, for instance, forced to make monthly payments for the people's car undertaking which will furnish the cars in 1941 and which already now have to be paid for in monthly instalments.

Why do the German Fascists force the workers to pay such huge sums, such a high percentage of their income, in

fact, on such objects? Partly, they regard such pleasures of life as a very useful means of taking the worker's attention away from political matters, from all the shortcomings and drawbacks of the Fascist system, and from the daily troubles and misery which they have to suffer. But partly, the diverting of expenditure to such things as theatricals is of great advantage to the economic system of Fascism. When the people's car instalment payments (three years before the car was due to be delivered!) were introduced, the *Frankfurter Zeitung* had an interesting article in which it explained: the people's car is produced almost exclusively from home products, almost without any imported raw materials. If so, the argument ran, we succeed in selling about 100,000 cars a year, we shall divert (since not only does the car cost something but its maintenance is also not cheap) considerable sums of money from the food and clothing market to the market of home-produced products. In this way we save foreign exchange for absolutely necessary imports. Thus far the *Frankfurter Zeitung*, and if we replace necessary imports by the word raw materials for armaments we realise what is the second and more and more predominant reason for forcing the workers to spend higher and higher sums on the pleasures of life. Every mark spent on a theatrical performance which does not need any raw materials for its production means a mark saved for armament raw materials. Thus, we have the ghastly picture of the German worker being forced into the pleasures of life in order to provide the armament industry with sufficient raw materials.

CHAPTER XI

LOST FREEDOM

WE have mentioned already how under Fascism the German worker has lost his freedom to sell his labour wherever he chooses and how freedom of movement has been taken away from the German worker. He has lost many other liberties which the English workers have succeeded in gaining and keeping up to now.

The German worker has lost his freedom of speech, his freedom of the Press and his freedom of organisation. The Labour Press has been destroyed, the Labour organisations, including the trade unions, have been dissolved. The trade unions have been replaced by the Labour Front organisation which includes employers as well. The Labour Press has been partly replaced by Labour Front publications, and partly by National Socialist papers. The place of the dissolved Labour Parties is taken by "the" political party, the National Socialist Party. The Social Democratic Party, the Communist Party and the trade unions have been driven underground where they do heroic opposition work against Fascism. The real Labour Press is published and distributed underground and probably no English worker reading the *Daily Herald*, *The Tribune* or the *Daily Worker* can scan the lines with the eagerness with which the German worker reads the publications of the Social Democratic and Communist Parties.

Fascism means the suppression of every right for which the Labour movement in Great Britain and Germany has fought for over a hundred years! It means the destruction of every point of defence which the workers have built during the last hundred years—but not for long!

CONCLUSIONS

WE have surveyed conditions in Great Britain and Germany. Hours of work we found to be either very much longer in Germany than in Great Britain, or very much shorter, but not for humane reasons, a most serious raw material shortage being the reason for short-time work. The intensity of work is very much higher in Germany than in Great Britain; and even a short working week, short because of raw material scarcity, brings no relief to the German worker since during the shorter week he has to work all the harder in order to earn at least something. Accidents have increased very much more in Germany than in Great Britain, and while the state of health (because of terrible working conditions, low wages, and food shortage) is worse in Germany than in Great Britain, facilities for recuperating are also worse in Germany than in this country. While the services of the health, accident and other insurance institutions have deteriorated, they have accumulated an increasing reserve fund which they put at the disposal of the German Government for payment of armament orders. As for the freedom of the workers, as for their liberties—they have lost them one by one in Germany.

While the worker spends more of his working strength, is exposed to increasing risks, and suffers from deteriorating health—how have his wages developed? They have remained around the crisis level of 1932. That is, they have really declined, for with the same real wages, he has to spend more on recuperating his working strength, his health and his nerves. But if careful statistical investigation, based on official German statistics, reveals that real wages have not changed materially since the depth of the crisis in 1932 was reached—non-statistical evidence on the quality of the goods sold in Germany indicates that even if he gets for his wage the same quantity of goods yet their quality is worse than it was in 1932. The balance sheet of the

development of labour conditions under Fascism is thus as follows:

Purchasing power of earnings about the same as in 1932.

But:

Quality of goods bought worse;

Need for more goods because of greater intensity of work;

Need for more goods because of deterioration in health conditions;

Longer hours of work;

Greater accident risks;

Worse social services;

Loss of liberties won during last hundred years.

PART II

THE CONDITION OF THE WORKERS IN GREAT
BRITAIN, GERMANY AND THE SOVIET UNION,
1932-1938

SEEING this heading the reader will be astonished how badly this book is arranged. Why first compare labour conditions in Great Britain and Germany and then compare them again in the same two countries plus a third country, the Soviet Union? There are many ways of comparing labour conditions, but the one chosen in this book will seem at first sight to be the least logical of all.

And yet, it seems to me that this way is the best, for the following reasons. In the first part we have compared labour conditions in two capitalist countries, Great Britain (where finance capital as a whole still rules) and Germany (where only its most reactionary section, chiefly the armament industries, governs, where, that is, Fascism rules). It is the task of this part to show how much more terrible Fascism is for the workers than finance capitalism "pure and simple", which is bad enough. It is the task of this part to work out the considerable differences in the development of labour conditions under bourgeois democracy and under Fascism. These differences, however, virtually disappear if we compare the development of labour conditions in Great Britain and Germany on the one hand, and in the Soviet Union on the other hand. If we had at once started to compare labour conditions in all three countries, the reader might have become impatient at being pressed again and again to look at the differences between conditions in Great Britain and Germany, while the much more important differences between these two countries and the Soviet Union urgently called for his attention. And yet, under present-day conditions, it is not only important to realise the difference of conditions between the capitalist countries and the Soviet Union but also between the different capitalist countries themselves, between the Fascist and the bourgeois democratic countries.

At the same time the very different character of the statistical material available for indicating the development of labour conditions in the Soviet Union and in other countries made it advisable to separate the observation of labour conditions in the three countries under review in the way in which we have done here. It is comparatively easy to translate wages in marks into wages expressed in shillings, and since the rôle of wages is about the same in Germany and Great Britain, it is possible to compare the development of wage indices in these two

countries. But it is absolutely impossible to translate roubles into shillings, for roubles have formerly had such a different purchasing power in different markets, as, for example, in the factory dining hall and in a shop; and it is equally impossible to compare wages in Great Britain and in the Soviet Union if to wages in the latter are added immense social and cultural services rendered free while the social services added to wages are of relatively minor importance in Great Britain.

For all these reasons it is not only advisable to start with a special comparison of conditions in Great Britain and Germany, but it is preferable, too, to change completely the basis of comparison with the Soviet Union from value figures and indices to figures comparing actual quantities of goods consumed by the masses of the people. That is, in order to give as realistic as possible a picture of labour conditions within the Soviet Union we shall talk rather of pairs of shoes and hectolitres of milk than of roubles and their relative purchasing power.

CHAPTER I

THE FOOD STANDARD

THE most important item in the workers' expenditure list is food; this holds true of the Soviet Union as well as of Great Britain and of Germany. In the course of time this may change perhaps in the Soviet Union when she has become so rich that she can produce more and more what to-day are called luxury goods, or when she can furnish more and more food free of charge—but at present expenditure on food is still in the forefront.

Has the food standard in the three countries under review improved? If so, in which country has it increased most? Is in this respect the difference of development in Fascist Germany and Socialist Russia very great? Let us begin with a study of conditions in Germany.

On the basis of official consumption statistics it is possible to construct for the years from 1932 to 1935 a table showing the total amount of calories ¹ consumed per person in Germany.²

CALORIES CONSUMED IN GERMANY, 1932-5
(1,000 Calories per Annum.)

Year	Flour and Potatoes	Fats	Meats	Milk and Dairy Products	Drinks	Sugar	Cocoa	Fruits	Fish	Total
1932	542	286	141	121	24	92	5	8	7	1,227
1933	547	266	140	120	25	90	5	9	8	1,210
1934	546	259	151	120	28	97	8	8	8	1,226
1935	551	251	147	121	30	99	5	8	9	1,220

¹ Calories are a measure of the nutritive value of food.

² Cf. for this table Jürgen Kuczynski, "The Consumption of Food-stuffs in Germany", *The Modern Quarterly*, Vol. I, No. 2.

The last column of the table indicates that the food standard in Germany has not only not increased but has rather declined as compared with the year of deepest crisis, 1932. But what about the following years? Are there no figures available for 1936 and 1937? Yes, there are figures available, but they are not comparable with those for the preceding years, since late in 1935 food adulteration on a grand scale set in, and a pound of butter produced in 1936 is not comparable with one produced in 1934; the same holds true of milk. The quality of meat has deteriorated, and so has that of dairy products and flour. But it is safe to say that the nutritive value of food consumed in 1936 and 1937 has not been greater than that of food consumed in the preceding years; very probably it has been lower.

To sum up, we can say that the food standard of living in Fascist Germany has had a tendency to decline slightly, even below the crisis level of 1932.

For Great Britain no reliable statistics of the development of the food standard for the years between 1932 and 1937 are available. The best measure of the development of the food standard we have is a table given by Sir John Orr: ¹

FOOD CONSUMPTION IN TERMS OF CALORIES AND PROXIMATE PRINCIPLES IN GREAT BRITAIN, 1924-8 AND 1934

Evaluation of Food	Average 1924-8 per Head per Day	Average 1934 per Head per Day
Animal protein grm. . . .	43	46
Vegetable protein grm. . . .	42	41
Total protein grm. . . .	85	87
Animal fat grm.	91	109
Vegetable fat grm.	19	15
Total fat grm.	110	124
Carbohydrates	431	425
Calories	3,139	3,246

According to this table the food standard has been slightly improved between 1924-8 and 1934. From the data on earnings available it can safely be guessed that the food standard declined between 1924-8 and 1931-2, that is, during the crisis, and that it improved again in the following

¹ John Boyd Orr, *Food, Health and Income*.

years. As to the food standard in 1935 Sir John Orr says: "Calculations based on the statistics for 1935 are so similar to those for 1934 that no alteration of the tables has been made to include figures for 1935." On the whole, it is not improbable that the slight decline of the food standard in Fascist Germany finds a counterpart in a slight increase in the food standard in Great Britain between 1932 and 1937.

The development in the Soviet Union has been very different. An analysis of workers' budgets shows the following increase in consumption per head of urban factory and office workers between 1932 and 1936: ¹

CONSUMPTION OF IMPORTANT FOOD-STUFFS PER HEAD IN THE
SOVIET UNION, 1932 AND 1936 ²

Commodities	1932	1936
Bread	100	128
Potatoes	100	107
Fruits and Berries	100	195
Meat and Fats	100	188
Dairy Products	100	192
Sugar	100	143

While Sir John Orr quite rightly thought it not worth while to give special data for changes between one year and the following year, the situation in the Soviet Union is quite different and we regret very much that we have data only for 1932 and 1936. The leap in consumption has been such an extraordinary one that we would have liked to follow the increase in the consumption of food year by year. But not only has the consumption of food increased rapidly, the composition of the food budget has improved also. The consumption of potatoes and bread has increased least, that of fruit, meat and dairy products has increased most. The worker to-day eats decidedly more and decidedly better than in 1932—a statement which one can make neither for Great Britain nor for Germany.

Though we have no year-to-year statistics of the development of the consumption of certain food-stuffs, we have at our disposal some statistics of production which indicate the mounting supply in food-stuffs. While production statistics

¹ In contrast to conditions in 1916 or 1926 the general level of production of consumption goods was already relatively high in 1932.

² *Monthly Review*, November 1937, issued by the U.S.S.R. Trade Delegation in the United Kingdom.

for Great Britain and Germany would not be adequate for measuring the rise or fall of consumption (since imports and exports play a considerable rôle), in the Soviet Union foreign trade in articles for consumption is so small as compared with total consumption that foreign trade changes do not affect our production data as indicators of the development of consumption.

PRODUCTION OF SOME FOOD-STUFFS IN THE SOVIET UNION, 1932-8 ¹

Year	Millions of Centners	Millions of Heads			Thousands of Centners
	Grain Harvest	Cattle	Sheep, Goats	Pigs	Tea
1932	699	41	52	12	16
1933	898	38	50	12	32
1934	894	42	52	17	66
1935	901	49	61	23	127
1936	827	57	74	31	197
1937	1,203	57	81	23	301
1938	950	63	103	31	—

Year	Thousands of Tons			
	Beet (Sand) Sugar	Butter	Cheese	Fish
1932	828	72	14	1,333
1933	995	124	16	1,303
1934	1,404	138	18	1,547
1935	2,032	159	24	1,520
1936	1,998	189	29	1,631
1937	2,421	185	30	1,609
1938	2,523	198	—	1,532

If we study these figures from year to year we see at once that progress has not always been regular and rapid. From 1932 to 1933 conditions in some respects probably deteriorated while the following improvement from 1933 to 1934 lifted the food standard probably not very much

¹ Figures computed by the Planning Commission of the People's Economic Commissariat (IIYHXY). Figures for butter and cheese refer to factory and creamery production only.

above that prevailing in 1932. Since 1934, however, progress has been very rapid indeed, and the food standard to-day is infinitely better than in 1932 or 1933. Each year now brings progress such as the workers in capitalist states have not witnessed in decades. The supply of food has reached such a high level that the problem of properly feeding the workers has, since about 1936, given way to the problem of how to further the food supply in such a way that the worker not only leaves the table fully satisfied but enjoys his food each year more and that the food consumed corresponds more and more closely to the highest standards from the point of view of dietetics. Or, to express it differently: all the workers live to-day as far as food is concerned above the subsistence minimum, they live above the minimum guaranteeing full reproduction of their working power, and the problem is now to lift them all to and above what American cost of living statisticians call the "health and decency standard of living". If we realise that about one-third of the American working class lives below the subsistence level, and that something like one-half of the British working class lives below a standard guaranteeing full reproduction of their working power, and that the great majority of the German workers live below this standard, and if we furthermore realise that before the Soviets seized power almost all Russian workers lived below this standard, then the achievement of the Soviet workers in organising their food supply, especially in recent years, must seem extraordinary to every student of labour conditions.

Concluding this survey of the development of the food standard in Great Britain, Germany, and the Soviet Union, we give one final very rough comparative table of food consumption in the three countries.

Though this table must be read with many reservations, indicated in the foregoing pages and in the footnotes to the table, the development in the two capitalist countries on the one hand and in the Soviet Union on the other is so strikingly different that the general impression of their relative development which the reader receives from this table would not be qualified if we could solve all difficulties of comparability; it would probably, on the contrary, only be deepened.

CONSUMPTION OF IMPORTANT FOOD-STUFFS IN GREAT BRITAIN,
GERMANY AND THE SOVIET UNION, 1932 AND 1936
(1932 = 100.)

Food-stuffs	Great Britain ¹	Germany ²	Soviet Union ³
Bread	+ 2 $\frac{0}{0}$ ⁴	+ 8 $\frac{0}{0}$ ⁵	+ 28 $\frac{0}{0}$
Potatoes	- 17 $\frac{0}{0}$	+ 4 $\frac{0}{0}$	+ 7 $\frac{0}{0}$
Fruits and Berries	+ 4 $\frac{0}{0}$ ⁶	+ 9 $\frac{0}{0}$ ⁶	+ 95 $\frac{0}{0}$
Meats and Fats	+ 1 $\frac{0}{0}$ ⁷	- 2 $\frac{0}{0}$	+ 88 $\frac{0}{0}$
Dairy Products	+ 14 $\frac{0}{0}$ ⁸	+ 1 $\frac{0}{0}$ ⁹	+ 92 $\frac{0}{0}$
Sugar	+ 14 $\frac{0}{0}$ ¹⁰	+ 11 $\frac{0}{0}$	+ 43 $\frac{0}{0}$

¹ Cf. *Statistical Abstract for the U.K., Home Consumption per Head of Population*; very rough estimates pertaining to population as a whole and not to the working class alone; and *Reports of the Imperial Economic Committee*.

² Cf. *Statistisches Jahrbuch für das Deutsche Reich, 1937*; good estimates, but not very well comparable year by year because of adulteration of food; estimates refer to consumer and not to worker.

³ See above table on p. 71.

⁴ Wheat and Wheat Meal and Flour (in equivalent of Grain).

⁵ Wheat and Rye Flour.

⁶ Fruits growing in Southern Countries.

⁷ Meats only.

⁸ Butter and Eggs.

⁹ Milk, Cheese, Eggs, and Butter.

¹⁰ Including Molasses.

CHAPTER II

THE CLOTHING STANDARD

WHILE no reader will have been fully satisfied with the statistical material given in the previous chapter, this chapter must leave every reader extremely dissatisfied.

Let us begin with the country providing the best statistics available, the Soviet Union. An analysis of budgets of urban factory and office workers shows that consumption of clothing, linen and footwear has increased between 1932 and 1936 by 90 per cent.¹ We do not need any statistics for Great Britain and Germany in order to show that in neither of these two countries has the clothing standard risen as much as in the Soviet Union.

Germany does not publish any figures regarding the development of clothing consumption, nor does Great Britain. The only way therefore to arrive at some reasonable estimate of the development of the clothing standard is to look at the production figures.

TEXTILE PRODUCTION IN GREAT BRITAIN AND GERMANY, 1932-8
(1932 = 100.)

Year	Great Britain ²	Germany ³
1932	100	100
1933	106	115
1934	108	125
1935	114	115
1936	121	124
1937	125	127
1938	—	136

In both countries textile production has increased by about the same amount. And yet these figures mean

¹ *Monthly Review of the Trade Delegation in the U.K.*, November 1937.

² 1932-7, *Statistical Year-book of the League of Nations*.

³ 1932-7, *Statistical Year-book of the League of Nations*; 1938, *Vierteljahrshefte des Instituts für Konjunkturforschung, Berlin*.

something very different for each of the two countries. Many a mother complains that her boy needs so many suits because he so quickly tears them to pieces. German men and women do not suddenly behave like boys, but the clothing which German manufacturers produce with substitute raw materials behave like the trousers of which the little boy said, "They get their tears by themselves". There can be no doubt that textile production in Germany has increased quite a good deal, but there can be just as little doubt that this increase has not led to a corresponding increase in the clothing standard of the German people. If the German worker has, for example, to buy to-day two suits per year as compared with one suit three or four years ago, this does not suddenly fill his wardrobe with suits, but the turnover of clothes in his wardrobe is much greater than ever before in his lifetime, because a single shower of rain will often completely ruin one of the "Ersatz" suits. Furthermore, an increasing part of the output of the textile industry is used for military purposes—that is, it is excluded from use for civilian purposes. Most people in Germany will say, without any hesitation, that the clothing standard to-day is below the 1932 level.

In England the increase in textile production indicated in the above table is a genuine one—but not for the working population. Clothes are one of the most important items in the expenses sheet which is cut quickly and often drastically if profits and the salaries of the higher salaried employees are falling, that is, if the income of the middle class and the upper middle class is falling (as is the case during times of crisis), and on the other hand, when profits are mounting again (as was the case between 1932 and 1938) just these groups of the population rapidly increase their purchases of clothes. While, therefore, it would be wrong to draw from the above table the conclusion that the clothing standard of the English worker has improved by 25 per cent., one can say on the other hand, that it has improved somewhat, in contrast to the clothing standard in Germany.

But whatever conclusions we draw from the table, whether we take into consideration the above-mentioned factors or whether we wrongly leave them out of account, everybody will see that the clothing standard in the Soviet Union which has increased by 90 per cent. has improved infinitely more than that of the English or German worker.

Although we have unfortunately no statistics showing the development of the clothing standard year by year in the Soviet Union we have at our disposal a number of production statistics which indicate the development in recent years:

PRODUCTION OF SOME TEXTILE GOODS IN THE SOVIET UNION,
1932-8 ¹

Year	Millions of Metres				Millions
	Cotton Cloth	Linen Cloth	Woollen Fabrics	Silk Goods	Pairs of Shoes
1932	2,694	134	89	22	94
1933	2,732	141	86	26	99
1934	2,733	162	78	31	96
1935	2,640	216	84	38	120
1936	3,270	295	102	52	163
1937	3,448	285	108	59	206
1938	3,496	—	114	—	212

Even more than was the case with food-stuffs we notice that the chief improvement of conditions has taken place in recent years. During the years 1932 to 1934 very little change occurred in the clothing standard of the Soviet workers. But since 1934 probably the most rapid upward movement ever witnessed in history can be observed and the Soviet worker to-day is very, very much better off than he was from 1932 to 1934.

As to the absolute standard of clothing we can say: there are no workers in the Soviet Union who have to suffer from the cold in winter time because they do not have enough clothing. On the other hand, there are millions of workers in Great Britain and Germany who cannot leave their homes without shivering in clothing much too light for the winter cold. At the same time, there are in Great Britain many workers who are better clothed than the Soviet workers. Until the Soviets came to power, it was only a small minority of the whole population who had shoes—to-day the vast majority of the Soviet workers has shoes, but the demand for shoes is increasing so rapidly that up to now

¹ Figures computed by the Planning Commission of the People's Economic Commissariat (ПЯХХУ).

the Soviet industry has not been able to meet it fully. True, the wives of skilled workers in Great Britain are better clothed than the wives of the Soviet worker, but while in Great Britain hundreds of thousands, probably millions, of women are not well enough clothed to reach even a subsistence standard of clothing, that is, while they suffer in their health because of poor clothing, one cannot find their counterpart in the Soviet Union. And then, there is one immense difference between the clothing standard in the Soviet Union and in Great Britain and Germany: in the Soviet Union conditions are improving rapidly; in Great Britain they are virtually stable at the present time, while in Germany they are deteriorating.

CHAPTER III

MAN DOES NOT LIVE BY BREAD ALONE

Food and clothing are probably the most important items in the budgets of most workers' families, but they are not the only items. Next in importance comes rent, at least in Germany and Great Britain, and often rent is more important than clothing.

How are housing conditions in the three countries under review, and how have they developed in recent years? No statistics of any value concerning the development of housing conditions are available for Great Britain or Germany. We know that in Germany there is a severe shortage of workers' flats; even the controlled Press reports it. No progress has been made in recent years; on the contrary, the shortage was never as great since 1932 as it is to-day. And there is every prospect of a further deterioration of conditions since raw materials are allocated in less and less sufficient quantities for house building, the armament industry demanding more and more.

In Great Britain a small improvement has probably taken place in recent years, but the standard of housing, which is lower here than in Germany, has improved so little that the working class as a whole does not notice the small changes which have taken place in the last five or six years.

In the Soviet Union the housing standard is in the big cities lower than in Great Britain and in Germany. Literally millions of people have come from the country where they had lived under the Tsar in rooms not fit for cattle, into the big cities, and in spite of a building activity surpassing anything witnessed in the history of mankind rooms are over-crowded and housing conditions are poor. In the country housing conditions in the Soviet Union are also poor though they have been greatly improved in recent years. But there is one great difference between housing conditions in the cities and in the country in the Soviet

Union as compared with those in Great Britain and Germany. While housing conditions in the cities (where the minority of the people of the Soviet Union live) are poorer than in Great Britain and Germany, housing conditions in the Soviet agricultural districts (where the majority of the people of the Soviet Union live), though poor, are on the average probably better than in Great Britain and Germany. The reason for this is not that the Soviet workers in agricultural districts are housed better than those living in the cities, but that housing conditions in the country, especially of agricultural workers and peasants or small tenants, are as a rule so incredibly bad in Great Britain and Germany and have hardly at all been improved upon recently that the Soviet Union has easily reached the English and German standard and even passed it.

An investigation into workers' budgets in urban factories and offices has revealed ¹ that between 1932 and 1936 purchases of household goods and furniture increased in the Soviet Union by 250 per cent.—a sign of the extraordinary improvement in housing conditions which has taken place and which has, of course, no parallel in Great Britain or Germany. Whatever the difficulties in comparing present-day standards, there is no difficulty in stating with certainty that urban housing conditions in the Soviet Union have improved considerably, while in Great Britain any improvement which may have taken place has been only very small and in Germany there has been no improvement but rather a deterioration.

The same table gives some figures for the increase of consumption of certain other goods by Soviet urban workers between 1932 and 1936:

Consumption of perfumes and cosmetics increased by 270 per cent.
Consumption of hygienic goods and medicines increased by 66 per cent.
Consumption of cultural and educational goods increased by 103 per cent.

Neither Great Britain nor Germany can show any increases in the neighbourhood of such figures. True, in some respects the Soviet standard is, in spite of breath-taking improvements, lower than that in Great Britain and Germany, and was some years ago very much lower. Illiteracy, for example, is still to-day higher in the Soviet Union than

¹ *Monthly Review of the Trade Delegation in the U.K.*, November 1937.

in the two capitalist countries. The Soviet Union has been heavily burdened with the crimes of Tsarism and in many respects it is just now reaching the Western capitalist standard. But this does not alter the fact that the Soviet Union is not only rapidly reaching, but soon will pass the Western capitalist standard. If present trends continue she will, having passed this standard, go on and on while the capitalist states will either remain more or less stable or else show a decline as compared with the standard in the twenties. Furthermore, the quality of what the Soviet Union offers is usually in many respects better than that which the capitalist states have to offer. The quality of the elementary education offered is superior to that which Great Britain and Fascist Germany offer: it is considerably more beneficial to the masses of the people and makes them better prepared to face reality and to change reality in their favour. It is the education of free men whose chief purpose in life is to raise their standard of living, both the physical standard and the spiritual.

While relatively more people are unable to read and write in the Soviet Union than in Great Britain and Germany, many more people than in Great Britain and Germany are in the process of acquiring higher or technical education. The explanation of this curious fact lies in the past and not in the present. The general standard of literacy is lower in the Soviet Union not because relatively fewer children go to school but because many more grown-up people, who under Tsarism did not have any schooling, have not had the time or opportunity to remedy these gaps in their education. On the other hand, with the continuous growth and spread of opportunities for higher education more and more young people are going to high schools or to polytechnics or to universities. The number of students in the three countries developed as follows (see table on p. 82).

The number of students in the Soviet Union increased between 1932-3 and 1936-7 by about one-third, in England it remained about the same, and in Germany it declined by almost 50 per cent. But this is not all: the figures in the Soviet Union refer to students from the masses of the people; in Germany only about one-sixth of the students come from the masses of the people and in Great Britain the percentage is probably even lower.

STUDENTS IN GREAT BRITAIN, GERMANY, AND THE SOVIET UNION,
1932-3 AND 1936-7

Great Britain ¹	.	.	.	1932-3	64,000
				1936-7	62,000
Germany ²	.	.	.	1932-3	133,000
				1936-7	72,000
Soviet Union ³	.	.	.	1932-3	417,000
				1936-7	542,000

While over half a million Soviet people are studying at the universities, many millions are studying at secondary and technical schools. The total number of people attending all kinds of schools in the Soviet Union is to-day about as great as the total population of Great Britain and not far from being half as great as the total population of "Greater Germany".

Corresponding to this increase in educational facilities and their use has been the increase in the publication of books, in the number of theatricals and films attended, and so on. The number of volumes of the works by Dickens printed between 1917 and 1936 amounting to 1,100,000 copies is probably larger than that printed in Great Britain; the same probably holds true for Victor Hugo (1,800,000 copies) and of France. No great writer in Germany or Great Britain, nor the most servile writer pandering to the vanity of the ruling class and the lowest tastes of the uneducated, has had the sales of Gorki (31,969,000 copies), Pushkin (19,120,000 copies), Leo Tolstoi (13,959,000 copies) or Chekhov (11,406,000 copies). Turning from books to the theatre, we note that no theatre in the whole world has played in the course of two seasons Shakespeare's "Romeo and Juliet" 200 times—except the Theatre of the Revolution in Moscow. Some of the films, famous all over the world, have been seen in the Soviet Union by over 100,000,000 people, and the number of cinema visitors, that is, of people who have enough money to go to the cinema with a certain regularity, is, in proportion to the population, greater in the Soviet Union than in any other country of the world.

¹ *Statistical Abstract for the U.K.*, 1939.

² *Statistisches Jahrbuch für das Deutsche Reich*, 1933 and 1937.

³ *20 Jahre Sowjet-Macht* and *The U.S.S.R. and the Capitalist Countries*.

Men do not live by bread alone. In no country in the whole world and, more specifically, neither in Great Britain nor in Germany is there so much spiritual food put at the disposal of the masses of the people as in the Soviet Union.

CHAPTER IV

SOCIAL INSURANCE

WE have seen how the three countries care for the employed workers and salaried employees. But whether it is the Socialist Soviet Union, Fascist Germany or Capitalist Great Britain, there are always millions of people who are not fit. Many millions of them are simply forgotten in Great Britain: all those in fact whom one would call, if they belonged to the middle or upper classes, "run down". They are not actually ill but they need a vacation. Paid holidays are an innovation in Great Britain, comprising up to now only a comparatively small number of workers, and none of the people belonging to the large class of small shopkeepers and craftsmen.

In Germany holidays with pay were already widespread ten years ago. The number of people who have gained holidays with pay has slightly increased under Fascism—but under Fascism holidays with pay are not only holidays with pay but also holidays without pay and with regulated spending. For a very large number of workers are obliged to spend their vacations with the "Strength through Joy" organisation which throughout the whole year collects money from the workers in order to "supplement" their expenses during the vacation and in order to arrange for the whole money to be spent in a way which is best from the point of view of the armaments industry avid for raw materials and the necessary foreign exchange. But counted altogether, considerably less than half of the toiling masses of Germany can enjoy paid or partially paid holidays.

In the Soviet Union the situation is quite different. Paid vacations for everybody are a matter of course. Since 1932 almost every worker or salaried employee has been at any rate once to a convalescent or recreation home or has at least spent his holiday at a spa or seaside resort. Only

few of them were what one could call ill; all of them, however, needed benefit from a rest, just like the millions of much more exhausted people in Great Britain and in Germany who cannot visit convalescent homes or seaside resorts.

If a worker is ill and has to stay away from work he gets in Great Britain as well as in Germany only part of his wages—if he is included in the insurance system, and often he has to pay for medicine either as a matter of course or because the insurance scheme does not provide as good a medicine as is demanded by his illness. In the Soviet Union the sick worker gets at least 50 per cent. and after a six years' employment in the same place full pay and in addition every worker gets all medical attention available without having to pay anything for it. In the cities the medical attention available is better than that in Great Britain—not because Soviet physicians know more about medicine than physicians in Great Britain and in Germany, but because the good physicians in the capitalist countries spend most of their time on rich patients and are often interested in poor patients mostly for the purpose of experimenting on them, or if the sickness of the worker is of a rare and especially interesting kind. Furthermore, the number of doctors in the big cities is larger per 1,000 inhabitants in the Soviet Union than in Great Britain and Germany. In the country, on the other hand, in spite of much progress made, the number of doctors is smaller in the Soviet Union than in Great Britain and Germany—but here again, the value of the individual doctor to the sick worker is infinitely greater in the Soviet Union than in Great Britain and Germany; for in the former the masses of the sick people are his patients while in the latter the dream of most country doctors is to spend as much time as possible at the bedside of the gentry.

Provision for people injured by accidents, for the aged, and for children also play a very much greater rôle in the Soviet Union than in Great Britain and Germany. Not only is the compensation paid considerably higher in relation to wages, but in contrast to Great Britain and Germany there is no uncertainty as to whether one really will get compensation or whether there is perhaps a paragraph which allows the insurance authorities to avoid payment. The same holds true of pensions. But the

greatest advance has been made in the care and provision for children, and among the children the best cared for are those of pre-school age. While it is the general principle of Soviet society to raise rapidly the standard of living of everybody, this general principle is qualified because the general principle cannot be executed to a sufficient degree from one day to the next. First then, help goes to the weakest, that is, to those who are dependent upon social insurance (the sick, the injured, the aged, and so on) and to those who represent the future—the children. This principle and especially its qualification is exactly the opposite of that practised by the Fascists in Germany: not the standard of living has to be raised but the standard of armaments, and as far as the standard of living is concerned it is held to be preferable not only to lower the standard of the old and incapacitated workers in particular but to eliminate them if possible.

While in Fascist Germany children of pre-school age have to live either in the poor rooms their parents can afford, damp, badly aired and cold, or glaringly hot according to the season, or have to play in dirty, dusty stone yards and streets, and while in Great Britain some, but very inadequate, progress has been made in the provision of nurseries and kindergartens (most of all in cities governed by Labour councils), in the Soviet Union over 5,000,000 children are to-day enjoying the advantages of nurseries and kindergartens.

While the total amount of money spent on social insurance services in Great Britain and Germany has changed only very little between 1932 and 1937, in the Soviet Union the amount has approximately doubled. Social services expressed in money terms amount to about one-third of the wages the worker gets. The provisions made by the State for the masses of the people thus play a very great rôle in the life of the workers. While in Fascist Germany the social insurance system has become more and more a taxation system, taking away from the workers' earnings increasing sums in order to distribute them to the armament manufacturers, and while in that country the social insurance system becomes more and more a social subsidy system to the armament profiteers—in the Soviet Union the social insurance system becomes more and more

a means for planned raising of the standard of living of the masses of the people. The social insurance system and the system of State provisions guarantees, for example, an especially quick raising of the standard of living, of culture, and of the health of the children; it guarantees special attention to the standard of health of all workers, and so on. It is of the greatest cultural value because if no social insurance system existed and the sums spent on social and general State services were, for instance, simply added to the wages, it can readily be imagined that part of the money would, from a general point of view, be devoted to other than the most important purposes. Thus it is easy to conceive how a certain amount of money which for health reasons should be spent on dental care would be spent instead on books or cigarettes or anything other than health. In this way, the social insurance system in the Soviet Union not only guarantees security for the workers but also raises their general health standard in the interests of the community as a whole and of the individual worker. Thus the social insurance system has an enormous educational and cultural value, too, not only raising the general standard but also educating the workers to spend part of their income on purposes the importance of which many in the Soviet Union and still more in Great Britain and Germany do not yet fully realise.

CHAPTER V

RIGHTS AND LIBERTIES

IN the first part of this study we have included a chapter on the freedom of the workers, dealing almost exclusively with Germany, because in Great Britain almost no changes in the freedom of the workers have taken place in the period under review in this book. How are conditions in the Soviet Union? Is it worth while devoting a special chapter to the liberties of the workers in the Soviet Union in a book dealing chiefly with changes between 1932 and 1938? At first sight no important change has taken place. As far as labour conditions are concerned the new constitution does not include fresh provisions or plans or promises of importance; it chiefly ratifies and formulates rights and liberties which the workers in the Soviet Union have enjoyed during many years of Soviet rule. And yet it is important to note one fact of decisive importance and to devote to it a small chapter in this book.

True, no changes of importance in the number of rights and liberties (as far as labour conditions are concerned) have taken place between 1932 and 1938. But the content of these rights and liberties has changed considerably. This change in content is caused by the progress and increasing wealth of the peoples of the Soviet Union.

Take, for instance, the social insurance system. Social insurance in Great Britain as well as in Germany is administered by the ruling class. In the Soviet Union the trade unions control the social insurance system—an enormous difference. But this is not the important fact we want to stress here. For many such rights and liberties of the working class are already old-established in the Soviet Union. What we want to emphasise here is the fact that the rapid rise in the amount and value of social insurance services increases the importance of this right and liberty of the workers to such a degree that social insurance in the hands of the workers to-day means some-

thing different from social insurance in the hands of the workers five or ten years ago. The trade unions are able to do with the social insurance funds to-day infinitely more than five or ten years ago. They can not only do more, that is they can, for instance, not only see to it that the aged worker gets a higher pension, and lives correspondingly better, but they can continually provide new services, they can continually broaden the whole scheme of social insurance, they can enlarge the educational value of social services, and they can change the whole physical and spiritual standard of the working population with the increased funds at their disposal.

Whether it is a question of social insurance problems, of educational problems, of prevention of diseases or accidents, of sports or Press services, always we find that full use of the liberties and rights which the workers enjoy can be made only if the means at their disposal are large and increasing. What is the use of full jurisdiction by a factory committee over accidents and accident prevention, if only little money is available for compensation, if production has in all circumstances to be increased as rapidly as possible because people urgently need the commodities produced and if no money is available to provide safety apparatus against accidents? But if the amount of money available for such purposes increases from year to year, if ever new measures can be taken, if enough money is available for experiments, and if commodity production has reached a sufficiently high level to allow more and more consideration to be given to measures which make production safer, then these rights and liberties gain in importance very, very much. And this is just what has happened to such a striking degree in the last six years in the Soviet Union. The rights and liberties of the workers have gained in importance from year to year, not because of new definitions and new spheres of jurisdiction, but because the general rise in the level of production and consumption has given a richer meaning to these rights and liberties. Thus, while in Germany the workers have lost most of the rights they had gained during the preceding hundred years, and while in Great Britain there has been little change in this respect during the last six or seven years, in the Soviet Union the rights and liberties of the workers have become fuller both in meaning and effect.

CONCLUSION

WE have twice surveyed labour conditions in Great Britain and Germany, each time on the basis of different statistics and from different points of view. We have compared labour conditions in Great Britain, in Germany, and in the Soviet Union.

In many respects the surveys have led to conclusive statements. Some of them are of a general nature:

Labour conditions in Germany have deteriorated even below the crisis level of 1932.

Labour conditions in Great Britain have slightly improved since 1932.

Labour conditions in the Soviet Union improved moderately between 1932 and 1934; between 1934 and 1938 an improvement has taken place which has no parallel in the history of labour.

Labour conditions, as far as food, clothing, and housing are concerned, are, for the lowest paid workers (including the unemployed in Great Britain and Germany), best in the Soviet Union, second worst in Great Britain, and worst of all in Germany. A minority, and not a very small minority, of English workers, however, is still better off in this respect than the Soviet workers, while in Germany only an extremely small minority of the workers (chiefly armament workers) is better off than the Soviet worker.

As to food conditions, there is one terrible similarity between conditions in Great Britain and Germany, and one decisive difference between conditions in either of these two countries and in the Soviet Union. In both the capitalist countries, there are millions of workers and workers' families who are underfed: in Great Britain the millions of unemployed, the agricultural workers and many low-paid workers in industry; in Germany the majority of the agricultural and industrial workers. Such an army of underfed workers is not to be found in the Soviet Union, where all workers receive at least a minimum which pre-

vents under-feeding. The fact that a not very small minority of English workers and a very small minority of German workers are better fed than the Soviet worker is of absolutely minor importance compared to the security of the Soviet worker able to sit down at a table bearing enough food to reproduce his working power. But of very great importance in this connection is the fact that the diet of the Soviet worker has improved rapidly in recent years while that of the English worker has remained about the same and that of the German worker has become worse.

As to clothing conditions they are about the same as in the case of food. As far as housing conditions are concerned the Soviet Union probably compares least favourably with Great Britain and Germany though it would be misleading to state this fact without mentioning the constant improvement which is made every year.

Labour conditions, as far as all other factors apart from food, clothing and housing are concerned, are far better for all Soviet workers than for the British workers, and the majority of the British workers are in this respect better off than the German workers. The children, the sick and aged workers are better cared for in the Soviet Union than in Great Britain, and in Great Britain, in turn, conditions are better than in Germany. But the difference between the Soviet Union and Great Britain is very much larger than that between Great Britain and Germany.

Finally, we can say as regards the general development that, if present trends continue, every year now will widen the gap between conditions in the Soviet Union and capitalist Great Britain while under present conditions one may rather expect a narrowing of the gap between Great Britain and Germany, not because of any improvement in Germany but rather because of a deterioration in Great Britain.

As to specific labour conditions the change in the structure and importance of the social insurance system is of prime importance. In Great Britain, no change of importance has taken place. In Germany the social insurance system is in the process of transformation into an auxiliary taxation system. In the Soviet Union it develops more and more into an auxiliary to the family budget; an increasingly larger part of the family expenses is taken over by the State. Exactly the contrary is true of the

development in Germany where an increasingly larger part of the family revenues is taken over by the State.

The development of the general freedom of the worker has been in many respects similar to that of social insurance. Here, too, we find almost no change in Great Britain, though, while it is possible that as far as the social insurance system is concerned a slight improvement has taken place in recent years, yet concerning the freedom of the worker there has probably been a slight deterioration. In Germany the worker has lost most of the rights he gained during the last hundred years, and the few remaining liberties he still enjoys are being taken from him step by step. In the Soviet Union the worker has gained within a few years more freedom than the workers in other countries have gained in a century.

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